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# ***JPRS Report***

# **West Europe**

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24 JUNE 1987

## WEST EUROPE

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## SURVEY REVEALS EUROPEAN 'NO' ON FULL EEC MEMBERSHIP FOR TURKEY

Istanbul MILLIYET in Turkish 11 Mar 87 p 13

[Reported by M. Ali Birand]

[Text] Brussels -- As 12 Turkish ambassadors to EEC countries meet in Ankara to discuss our application for full membership, our survey indicates that the application is supported by none of those countries.

Four of the countries are expected to be against the application from the very start: Greece, because it is fundamentally opposed to Turkey; Denmark and Holland, because of human rights and inadequate democratic development; Portugal, because of Turkish competition to its products.

Luxemburg's position is yet to be clarified but, according to Foreign Ministry officials, it will object because of human rights and democratic issues. Spain is undecided despite the assurance of Spanish foreign minister recently in Ankara. They are watching what the other countries will do. Ireland's position is described by Dublin and their delegation in Brussels as 'unclear'. Ireland will probably follow the lead of Britain.

The big four (Germany, Britain, France, Italy) which are in a position to affect EEC decisions in a major way responded uniformly to our survey: 'We won't oppose it.' But none of them is promoting the 'support' Turkey needs. According to a French diplomat, during his recent visit French Premier Chirac 'did not promise support' to our Foreign Minister Vahit Halefoglu, but merely offered 'not to oppose it'. Germany, whose support Turkey needs most, does not feel inclined to offer support at this stage. As Ali Bozer, minister of state responsible for EEC efforts, was told during his recent visit, Britain finds the application untimely.

While not among the 'big four' Belgium holds the chairmanship of the EEC Council of Ministers (C of M) until July, and Belgian officials are saying, "The existing agreement should be activated before anything else," adding that Leo Tindemans, Belgian foreign minister and current C of M chairman, who is

known as a Turcophile, has not promised any support to Ankara, and had even forewarned the Turkish officials.

### 'Untimely Application'

Almost all the 12 countries and the EEC Commission are unanimous in thinking "Turkey's application for full membership is untimely. It shouldn't have been made this early and at a time when the community is grappling with its own internal problems." But another point underlined by officials in 12 capitals and the EEC Commission is that, at this stage, no country has decided how to respond to a 'possible Turkish application'. According to an EEC Commission official, "Everyone is waiting in its corner. They will decide their response after discussion with the others." And the decision will be made according to the conditions of the day.

### 'Couldn't Prevent It'

In our survey, all countries except three said they weren't able to prevent Turkey's application, maintaining, "We tried our best to persuade Ankara. We tried to make them think of the magnitude of the step they are taking with its political, economic and social consequences. Now we can do nothing but wait for the application to arrive. It is Turkey's decision."

Diplomats from several countries have underlined that the decision to support or not to support Turkey's application will not be a foreign policy decision; parliaments, unions, political parties, the press and all sectors of society will be involved, with the government having the final say. And this they will do after a series of preliminary and private consultations.

### American Pressure

In our survey it became apparent that during last year Washington has continuously pressured Brussels and the capitals close to Turkey (Bonn, London, Rome) not to reject a possible Turkish application. According to information received from German and EEC Commission officials, the U.S. has repeatedly argued that a negative response to Turkey would create serious problems within NATO and could even push Turkey towards the Islamic fanatics' sphere of influence. A diplomat from an EEC country was heard saying "Frankly, American pressure on us often becomes counter-productive." U.S. views Turkey's joining the EEC as "shifting some of the burden to European countries," the diplomat added.

## Conclusion

Officials surveyed in the capitals of EEC countries and their delegations in Brussels said that Turkey had not done enough to lay the groundwork and not even managed to make a proper 12-capital tour. "We haven't seen any special effort to persuade us," they said. A German diplomat maintains that, particularly in Bonn, efforts to gain German support had been extremely inadequate. "If you don't have the sponsorship of a major country you cannot handle this thing. And we are the only ones who could do it. But you look as if you are running away," the German diplomat said.

Many officials in EEC capitals and the EEC Commission say they think it unlikely for the Turkish application to be rejected outright or kept on the Council of Ministers agenda for too long, but further than that they see the future as longish and somewhat dark.

## Why the Objections?

The most common reasons given by almost all EEC countries are listed below. These will be heard before, during and after the application.

### 1. EEC will face a crisis:

EEC officials argue that the community, not having been able to absorb Britain and Denmark yet, had admitted Greece, to be followed by Spain and Portugal soon after. The admission of a new member, particularly an underdeveloped one like Turkey, might just break the budget of EEC which is already facing major problems. As they are already running big deficits and searching for new revenues to finance modernization programs, the community would be hard-pressed to absorb a 55 million country like Turkey. "We are trying to put our house in order, while trying to catch up with the U.S. and Japan. Turkey's joining would place us in a more difficult position," they say.

### 2. Agriculture might collapse:

A country like Turkey joining the EEC with 60 percent of its population subsisting on agriculture, would mean a total breakdown of the joint agricultural policy and funds. "Even the thought of that causes nightmares," say the officials. Some countries are objecting that the addition of Turkey will mean a rise in the 'numbers of poor' and the South will be getting more from the pie.



With Turkey joining, great numbers of unemployed would be streaming into European labor markets creating strains, maintains the EEC Commission. The number of the young unemployed in Turkey frightens many countries, with Germany at the top of the list.

### 3. The political baggage:

Without saying it in so many words, an official articulated a common fear that with Turkey joining, the Aegean and Cyprus issues would become an internal problem for the community. "Greece, on its own, creates enough problems for us. If Turkey joins, EEC councils would turn into NATO meetings and we will be stalled completely," the official said.

### 4. Human rights and democracy:

It is often pointed out that human rights and democratic practices in Turkey are not up to European standards. In particular, accepting present legislation regulating union activities is considered out of the question. Among the subjects to be raised with Ankara, and changes that might be demanded, is basic rights for certain minorities.

### 5. Being Moslem and non-European:

Though nobody ever says so, there is some evidence that those opposing Turkey's application are preparing to make it an issue that Turkey is a Moslem country and 'not of Europe'.

### 6. Turkey is not ready:

Another common view among opposers of Turkey's full membership is that Turkey is unprepared for such an enterprise in all respects, and even a long transition period would not be sufficient to change that. Turkish industry would not be able to withstand EEC competition, and the country would have to rearrange its economic and trade policies drastically. Many officials seem to subscribe to an assessment which says, "Your venture looks like an act of blind courage born out of ignorance."

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CSO: 3554/224

## IRANIAN REFUGEES FROM TURKEY CONCERN BRUSSELS

Istanbul TERCUMAN in Turkish 12 Mar 87 p 4

[Text] Brussels -- Following the incidents at Brussels Airport 10 days ago in which an Istanbul-Rome-Brussels flight arrived with 63 Iranians on board asking for political refugee status -- i.e. refusal of Belgian authorities to allow them into the country, their confinement in the airport, suicide attempts by some -- an order was issued by Justice Minister Jean Gol, published in The Official Gazette, demanding that on flights emanating from Turkey passports of passengers would be collected before departure. Meetings between Brussels and Ankara over this issue last weekend has been characterized as very chilly.

## Refugees

Since 85, middlemen in Turkey and Belgium, known as 'slave traders', have been getting visas from the Belgian consulates through bribery and then selling them at exorbitant prices. Following stories that appeared in TERCUMAN late in 85, Belgian Justice Ministry started an investigation and put an end to the bribery at its consulates in Turkey.

Belgian justice minister had been accusing officials at Istanbul Ataturk Airport with lax controls, demanding that Turkey should prevent the activities of the 'slave traders'. Turkish Foreign Ministry, on the other hand, was reminding that Turkey considered itself as a 'transit point' with regard to refugees coming from outside Europe. As such it had no grounds for obstructing Iranians departing from Turkey. It is learned that during the diplomatic exchanges Belgian Justice Ministry was told:

For the last 2 years you have been welcoming the bogus refugees from Turkey, and ignoring their anti-Turkish propaganda activities. Now you are attempting to send authentic refugees, the Iranians, to their death. Had you not been lenient with bogus refugees you would now be in a position to protect the real ones.



Belgian authorities are also reminded that the 'slave traders' employ Belgians, they have branch offices in Brussels, and that Sabena had also been implicated in all this. And Belgian authorities are advised "to take measures in their own country first."

#### New Measures

Following Justice Minister Jean Gol's decree, published in The Official Gazette, planes taking off from Turkey will be checked by Belgian consular officials, and passports will be collected at the entry. Thus, would-be refugees won't be able to destroy their passports. According to Belgian law, if a refugee stays in another country after leaving his own, he cannot ask for refugee status in Belgium.

Meanwhile, Belgian Justice Minister ordered that passports of Turkish Airlines (THY) passengers should also be subject to controls by Belgian consular officials. And if the Turks oppose this they would have to wait at Brussels Airport for hours.

In the meantime the 'new refugee bill' was approved by the Belgian National Assembly and sent to the Senate. It is said that with this bill Belgium will be closing its doors to bogus refugees completely.

#### Implementation Starts

The measures designed for the Turkish flights started to be implemented. Yesterday, a THY plane landing in Brussels was met by 2 (Justice) police and some gendarmes. The policemen checked the passports and detained one person. They refused comment on the detainee simply saying the person was under suspicion.

Officials say they are particularly wary of the Iranians, so they are putting their passports in safekeeping with the pilot immediately after boarding, thus preventing their possible destruction during the flight. The Belgian police has announced that it will bar passengers from leaving the planes if they have reason to be suspicious, or if there are grounds to suspect they might be refugees.

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## VAN ROMPUY WARNS GOVERNMENT ON HAPPART, ABORTION LAW

## Possible Government Crisis

Brussels LE SOIR in French 16 Apr 87 p 2

[Interview with Eric Van Rompuy, outspoken member of the CVP, by Charles Bricman and Guy Duplat: "Eric Van Rompuy: the Governor Knows that He Could Dismiss Happart for Good"; date and place not given]

Loyal to his reputation as an unruly member of parliament, Eric Van Rompuy explained clearly, nearly crudely, what a part of the CVP wants. True, he is neither president nor boss of a party "family," but within the CVP he certainly enjoys significant influence. And his often blunt statements are more than a provocation. They are a reflection of the problems encountered by Wilfried Martens and his government.

[Question] Are you in the majority or in the opposition?

[Answer] Why that question? Do you have doubts?

[Question] One might wonder sometimes...

[Answer] The CVP is loyal to the coalition, but there are a number of problems which are simultaneously community related, economic and financial--the budget, taxation--or ethical. Are we going to accept an alternative liberal-socialist majority to depenalize abortion?

[Question] The government agreement is clear: that is the business of parliament...

[Answer] Those people do not understand the difference between the government and parliament. If that law is adopted, Jean Luc Dehaene and Wivina Demeester, both members of the CVP, will be the ones who will have to sign it. Christian public opinion would not understand that. As Luc Van den Brande said last week, this could seriously upset relations between the majority partners. And if it is possible to think of a lay majority, then why not a Flemish majority tomorrow to impose the Flemish views?

[Question] That happens...

[Answer] Not with regard to the major problems. I would like to point out in any case that in Flanders there is no majority to vote for this law given that both the CVP and the People's Union are against it...

[Question] And yet, surveys show that a large majority of the women in Flanders are in favor of depenalizing abortion...

[Answer] One should not base a political or philosophical opinion on surveys. If we had taken the surveys into account we would never have deployed missiles at Florennes. It all depends on the way the question is asked. There are things in a party that calls itself Christian which are not negotiable. If the CVP allows this proposal to pass in order to remain in power, it will be a mistake which its electorate will never forgive. We already have too sharp a power party image. Because of the economic and social problems we have already lost a large part of our "soul"; let us not make things worse with abortion.

[Question] What good would a crisis do you?

[Answer] We have told Mr Martens that enactment of the bill by an alternative majority would greatly disturb relations among the majority partners. I think that a thorough discussion on the subject among the four majority parties is necessary.

[Question] Is it always the CVP which throws the banana peels?

[Answer] And what about Guy Verhofstadt who talks about privatization? And Louis Michel who demands the elimination of cumulative income tax for spouses? And Gerard Deprez who proclaims that there should be a moratorium on savings in education? Those are also proposals which disturb the majority.

[Question] But the CVP makes demands, issues ukases?

[Answer] We are an important party. The economic recovery policy, with the Val-Duchesse plan, would have been impossible without the CVP and without the support of the CSC [Confederation of Christian Trade Unions]. We have done our work. Daniel Coens implemented the required savings in the Ministry of National Education while the PRL did not do so on the French speaking side.

[Question] But you are willing to provoke a government crisis if Jose Happart stays on. The motion to this effect submitted by the CVP, which is to be enacted on 7 June, is clear is it not?

[Answer] I do not understand the attitude of the French speakers. That business has been dragging on for years now. A few months ago, Jean Gol himself said that Happart was not worth a crisis. Henri Simonet poked fun at the "Happart egg." Today, the same Gol and Simonet are suddenly standing up for Happart. If Happart is such a small thing, if it is a sugar cube, then let them give it to the CVP. But no. The PRL expects government problems and

suddenly raises the stakes. It wants us to pay dearly for any concession and gets its revenge, for example, with the RTT [Telegraph and Telephone Administration] file. It is not by accident that Melchior Wathelet is demanding 40 percent of the fallout of the RTT contract for Wallonia. The same is true for military orders; Flanders still has not received more than 40 percent of the compensation and now they are suddenly erasing all the previous plans. For Gol, the main thing is the dough...

[Question] But what exactly does your Happart ultimatum mean?

[Answer] The governor of Limburg and the permanent representation now know that the CVP is willing to go all the way. The signal is clear and I believe that the governor will implement Article 56 of the community law and will break Happart. And there will be no possible appeal to that decision, except before the Council of State.

[Question] That is a bad start for the community dialogue...

[Answer] Today, people in Flanders are talking about the "nice Walloons," the Wathelets, Deprez, Michels who speak Dutch, and who visit Flanders. But let us not be fooled. As soon as the issues become concrete, they are like the others, equally hard. Wathelet is no less demanding than Dehousse. Flanders realizes today that the French speakers will not budge, that they want the status quo. Consequently, we will not be able to pursue the regionalization of the country to our advantage, that is to say reduce the financial transfers from north to south. That has been the main disappointment in the last few months. I do not think that it is still possible to organize a dialogue between communities. We are heading for a point by point confrontation.

[Question] But if you want a crisis, is it to govern with the socialists afterwards?

[Answer] No. The CVP does not want the socialists who are worn out, losing speed everywhere in Europe. Their ideology is sick. But this should not incite the liberals to blackmail us. The liberals are not obligatory partners either.

[Question] That same antisocialism which was Martens' spearhead at the last elections?

[Answer] That theme would no longer work today. That is why the government must show its balance today. And it is relatively disappointing. Unemployment is no longer going down. The effects of Val-Duchesse on the public finance deficit are less good than anticipated. The public finance deficit for the first 3 months of 1987 is inferior to that of the first 3 months of 1986 only by 17.8 billion francs, of which 7.8 billion are due to the consolidation of the debt. But, for the whole year we are supposed to do better by 100 billion francs, aside from the debt. Hence, in 3 months we have gone only 10 percent of the way. That is very worrisome.

## Not Limited to Elimination of Cumulative Income Tax

[Question] The 1987 budget is still questionable; and the 1988 one must still be drawn up and especially the tax projects be outlined.

[Answer] I am quite willing to talk about tax reductions, but then not solely for cumulative income tax as the PRL wants. One must also raise the levy brackets, improve taxation of families, improve the division for single income households, limit the marginal rates and the average rates. The whole would cost the budget 100 billion francs. A sum which cannot be compensated by indirect tax increases or by the hope for an economic recovery induced by these measures. The PRL talks about tax expenditures, but is it willing to touch the replacement income? The group insurance rates? The deductions for professional dues? Let it say clearly then where it wants to cut and the CVP will state up front that there is no question of touching the replacement income. To talk solely about eliminating taxation of the cumulative income of spouses without talking about other tax reforms, without wanting to concern oneself with the development of the budget, without announcing compensations, that is electoral demagoguery. If it is solely a question of achieving the elimination of tax on cumulative income, we can do that with the socialists and then more fairly!

[Question] Are you not worried about Verhofstadt's success in the polls?

[Answer] If the government's balance is good, if we do not give in on abortion and on the community issue, then it will be Martens, and thus the CVP, which will reap the benefits of it.

[Question] Do all those positions taken by the CVP group not imply frustration on the part of the Christian members of parliament?

[Answer] As a matter of fact, power has remained for too long and in too concentrated a manner in the hands of only a few ministers. That is bad for democracy. There is a need for a balance of power. In a first phase, an austerity policy brings out the qualities of strong men, but later on, when the fatigue of austerity sets in, you need the support of the democratic forces. You have to return to a dialogue with the parties and with parliament. All the more so as the latest agreements made on the feast of St Catherine or on New Year's Eve have demonstrated that the effectiveness of decisions made by a few ministers is not a proven fact.

### Commentator on CVP

Brussels LE SOIR in French 16 Apr 87 p 2

[Commentary by Ch. B.: "The CVP Does Not Know Where It Is Going, but It Is Going There..."]

[Text] Anyone who is not acquainted, or not very well acquainted with political circles always tends to imagine that the behavior of its actors is carefully weighed by staffs who develop their strategies like generals do their battle plans. However, when you observe daily reality you are quickly



disappointed: the "strategists" of the rue de la Loi seldom see much beyond the ends of their noses, and to attribute long term objectives to them is often a product of the most unbridled imagination, if not of downright unfounded assumptions...

The bad temper of CVP members of parliament? A whim. A manifestation of being fed up to the teeth. Against Martens and Dehaene who despise them a bit too openly. Against the "lay people" who want to make legislation on abortion without them. Against that Mr H. who for 4 years now has been taking them for a ride from the top of his Fouron dungeon.

Which does not mean that this malaise should be considered a negligible quantity. Try as one may to tell them that a political crisis will not solve anything, that ultimately they will have to find a compromise anyhow, we are approaching one of those moments when an infernal machine has gotten underway which no bomb expert will be able to disarm. The events will decide for themselves...

A crisis for the sake of Fouron? By introducing a reasoned motion last week following an interpellation by the opposition, the CVP representatives burned their boats. By announcing that they would not vote for the confidence agenda submitted by the leaders of the French speaking group in the majority "if no new facts appear before 7 May," the Flemish social Christians are directly threatening the existence of the government and they cannot come out of the operation with empty hands without covering themselves with ridicule in the eyes of Flemish public opinion.

But they feel sure about it. This gesture, which was received with some consternation by Wilfried Martens who is aware of the danger, is primarily intended to give the green light to the permanent representation of Limburg, to make it possible for the guardianship authority to start removal--and no longer annulment--procedures against Happart, which should definitively stop the merry-go-round. As a matter of fact, the removal procedure would prohibit the Fouron majority from reelecting its leader to the position of alderman for a period of 2 years. And, the Flemish jurists state, this decision is not susceptible to appeal to the government, or to annulment by the minister of the interior. In fact, the only recourse Happart would have would be to take his case to a--Flemish--chamber of the Council of State in a non-suspensive appeal.

Hence, in doing so the CVP is forcing the French speakers of the majority to submit or to resign. The crisis? What does it matter if it is launched in a context which would seem favorable to the Flemish of the rue des Deux-Eglises and if they can say they did not provoke it themselves...

Coldly considered, this is probably "a good move." The PRL and the PSC have in any case been duly warned that they run the risk of finding themselves in a delicate situation. Strategy anyhow? At most tactics. Because, by putting its heavy paw on the Fouron caldron the CVP lion is not contributing at all to solving the question. That is not its problem.



Similarly, by blackmailing the majority's cohesion (?) on the abortion issue, the Flemish social Christians are also attempting to impose on their partners a law which they still consider to be that of the strongest, even though they represent only one out of every five Belgian voters.

And that is where the problem lies. It is that with all the weight left to it the CVP is no longer in a position to do anything but put forward its obstinate refusals, those formulated by a protean parliamentary phalanx within which nobody is pulling together, while no personality or party structure remains able to channel this energy to the benefit of a total strategy or a political vision.

Who is responsible for this? The party itself, which Frank Swaelen leads only pro forma, with no real authority over his troops. But also its ministers, with Martens in the lead who, for having for too long turned government into a personal affair shared only with a few privileged individuals, colleagues and advisers who form his immediate entourage, has ended up losing contact with his parliamentary base. Left to its own devices, the latter has gone on the move. It does not know where it is going, but it knows that it is going there...

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CSO: 3619/40

## COMMUNIST PARTY PRESS ORGAN ON CONGRESS, NEW CHAIRMAN

## 'Openness and Renewal'

Copenhagen LAND OG FOLK in Danish 21 Apr 87 p 2

[Editorial: "On the Offensive"]

[Text] The atmosphere at the top, optimism, unanimously adopted proposals, new chairman--the 28th congress of the Danish Communist Party provided a convincing impression of a party on the offensive.

The feeling of optimism was reflected in one speech after the other, not as an empty optimism, and certainly not without criticism. On the contrary, there were many critical statements, combined with well-founded optimism. Developments within the Social Democratic Party and the Socialist People's Party in connection with the labor majority underline the need for a revolutionary party--and there are clear signs of increased interest in the party. The entire international development, especially within the Soviet Union, open up new possibilities as well. There is reason to state that the early signs of an upswing for the Communist Party are appearing.

The congress, moreover, showed a clarified party. The discussions prior to the congress, including the more than 300 written contributions to the discussion published in LAND OG FOLK, were at times harsh. The congress showed that the extensive discussions within the party organization had led to a clarification of all important questions. It was, however, decided to launch an analytical study of a few issues, and there is still a need for discussions, but any suggestions of additional lines within the party were definitely rejected.

The work for a parliamentary breakthrough was one of the main topics of the congress. It was clear that it was not merely the top candidates of the party who were prepared to start the election campaign.

The optimistic atmosphere at the congress was also reflected in the expectations of the election result. Even if it would be wise not to expect any miracles overnight, there is clearly reason for a belief in gains at the polls.

Openness and Renewal were words used over and over. They are inspired by developments in the Soviet Union but reflect a discussion that has been going on for a long time. The development of a new leadership style had been put on the agenda by the former central committee and was ready in draft for the operational resolution which was adopted by the congress.

With its election of chairman and deputy chairman, the new central committee showed that from its very start it wants to develop and practice a new leadership style. But it should be clearly understood, however, that it is only a question of an initial, small step. Many more initiatives will have to be taken.

The congress moreover adopted a document on LAND OG FOLK, providing a detailed account of the role and tasks of the paper and laying down objectives for the further development of the paper. Both the document, which was adopted unanimously and the atmosphere at the congress reflected great willingness to make endeavors to ensure a wider circulation for the paper.

A wider circulation is important to mobilize the popular movements which will create political changes, and the paper is important in the efforts to utilize the new possibilities open to the party. This applies, for example, to the discussions to overturn Schluter and create a majority pursuing a labor policy, and to provide information on developments within the Soviet Union.

But the development of LAND OG FOLK also concerns openness and new leadership style. LAND OG FOLK has an important role to play in the development of collectivity and the discussion climate within the party as well as in the efforts to ensure new areas of contact for the party. The decision of the congress on LAND OG FOLK has prepared the basis for continued discussions on the development of the daily of the Communists--discussions to which all readers are invited to contribute.

The congress gave expression to great hopes for the future. It was a party on the offensive that was holding its congress, and the offensive is so clear that it is also reflected in many of the recent newspaper articles on the Communists. However, the optimism and the feeling of being on the offensive do not eliminate the awareness that a continued large and hard work is needed for the upswing for the party to become a reality. The optimism and the feeling of being on the offensive were the background for shaking hands to make the necessary efforts.

#### Peace Effort Emphasized

Copenhagen LAND OG FOLK in Danish 22 Apr 87 p 11

[Text] The need for, and the possibilities of, activating many more within the popular peace movement were stressed in many speeches at the 28th congress of the Communist Party.

"We are faced with a paradox. An increasing willingness to achieve peace and a declining involvement in the peace efforts," said Kirsten, Heurlin, Gladsaxe.

## Knowledge is the Road

"A campaign will only become effective when every single peace activist is ready to open the discussion at his place of work, in the street, within his family. We can see that from the missile campaign in the early eighties," Kirsten Heurlin pointed out.

She described the activities opposing the deployment of the 572 NATO missiles as "a democratic struggle, shaking the established politicians. The peace movement in Denmark thereby achieved much more than the footnotes themselves."

Even if the conditions for developing a similar campaign on the partial goals of the security policy today are different--among other things because the offensive Soviet peace policy frequently changes its focus from one area to another--the possibilities of a much broader involvement nevertheless exist, Kirsten Heurlin said.

"We must provide people with knowledge and insight so that they get the possibility of taking action. We shall have to provide them in a more purposeful and consistent manner with insight into the decisive issues, such as armament, and which we Communists know. We have to connect the everyday problems of people in Schluter's Denmark today with the peace efforts. We do this as a party, but we shall also have to do it in the popular movements--especially within the peace movements," Kirsten Herlin said, pointing to the Soviet plan for complete nuclear disarmament by the year 2000.

## Environmental Struggle on the Part of the Trade Unions

The trade unions will have to become activated in the area of environmental issues and the safeguarding of the ecological balance, and "it must not be regarded as an isolated area of struggle but as the opening of a new front in the development for peace and disarmament." These were the words of Flemming Bock, Frederiksberg.

"In the nonsocialist propaganda, peace and detente are made passive concepts, a stagnant situation merely signifying the absence of war. It is important for all Communists and all peace activists to establish that peace is a dynamic and creative situation opening up enormous possibilities for mankind to overcome serious problems created by man," Flemming Bock said.

He pointed to a number of factors which have so far kept the trade unions from becoming involved in environmental issues--for example, fear of losing jobs and the impression that the environmental movement is composed of activists from the sixties--and encouraged the Communists to work for the development of active efforts within the trade union movement in this area.

## New Chairman Interviewed

Copenhagen LAND OG FOLK in Danish 21 Apr 87 Sect II p 1

[Article by Tom Reher]

[Text] The Communist Party does not have a patent on ensuring unity within the labor movement or among the forces of the Left. But we have special possibilities, the newly elected chairman of the Communist Party says.

"The newly elected chairman of the Communist Party, Ole Sohn, had hardly taken his seat as chairman when the press showered him and the deputy chairman, Jan Andersen, with questions. Under bright flashlight, they sat in the cross fire and were themselves a vivid illustration of the new leadership style which the congress of the Communist Party has decided to adopt.

After the hard congress days and nights, Ole Sohn tells in an interview with LAND OG FOLK what the renewal implies, he talks about the relations with other labor parties, the switch which the party wants in the economic policy, the possibilities of a labor majority, what the newly created deputy chairmanship in the party will be used for and how the Communists will obtain access to the Folketing.

### Saturday Night--Sunday Morning

The Danish press displayed its interest before and during the 28th congress of the Communist Party. Long before the congress, the papers presented their various ideas as to who would be the next chairman of the party. Saturday night and Sunday morning the newly elected central committee made its decision. After a meeting lasting for nearly 7 hours, a couple of hours after midnight, the teleprinters in the various editorial offices reported that Ole Sohn had been elected chairman and Jan Andersen deputy chairman.

When the sun reached its zenith on the last working day of the congress, the two men opened a couple of bottles of West German Sekt in honor of the members of the press. The flashlights flashed, and the photographers shot pictures while the champagne bottles were uncorked in the library of Langbjerg School, where the atmosphere was light, merry and pleasantly relaxed.

Reporters from all over the world participated in the cross fire, most of them, of course, from Denmark, from the Czech television to Sokkelund Radio, asking lots of questions. Right from the Communists' view on peace issues, disarmament, the housing policy, Gorbachev, NATO, Glasnost, Schluter's disastrous policy, the possibilities of the party of getting into the Folketing and the party's view of nuclear power and media policies. And before the cross fire ended Ole Sohn made the comment that the party congress, in his opinion, had received very good press coverage, and that the party had previously appeared too little in the media. That, too, will have to be rectified.



## New Leadership Style

New methods of work and a new leadership style were among the main topics discussed at the congress. Ole Sohn says that the new structure with a deputy chairman, among other things, reflects a renewal.

"But, of course, it is not by itself a reflection of a new leadership style. At the next meeting of the central committee the discussion will continue on the election of the executive committee and other committees and on the question of how to develop a leadership style that will cover our needs," Ole Sohn says.

He finds that the party will get a different profile outside the party because of the establishment of the post of deputy chairman.

"In the future, it will not be merely one but several persons approaching the outside world. And the fact that Jan will retain his connection with his trade union moreover means that we will have a centrally placed person within the Copenhagen trade union movement. That is another outlet for the possibilities we may utilize. The tasks hitherto undertaken by the party chairman will now be divided among several people, so that we may utilize our forces in the best possible manner," the new chairman of the Communist Party said.

## Nationalization

In the discussions on a labor majority the Communists have been criticized by the Left Socialist Party for making the unrealistic demand of nationalization and by the Left Socialist Party and the Socialist People's Party for failing to take the proposal of industrial democracy seriously.

"One may very well claim that the demand for nationalization is unrealistic. But if we fail to make demands for economic reforms, which are necessary in order to break with the present economic policy, the platform is of no value.

The platform of the Social Democratic Party elegantly circumvents the actual problems of the economy. That is why it is necessary for the Communists to adhere to and develop the demand for nationalization for the very reason that it is clear to an increasing number of people that it is necessary to nationalize the banking sector. We see today the central role played by banks in speculation, tax evasions, etc. It cannot be right for private capital interests to take part in controlling and in many ways sabotaging the economic policy.

That is why the demand for nationalization will have to be utilized as an active means for a new employment policy so that the society will be ensured control of the capital in such a way that it may be channelled into production and investments in order to create new jobs.

## Insufficient

With regard to industrial democracy: We shall, of course, participate in the discussion on industrial democracy. For the very reason that the Social Democratic Party and especially the Socialist People's Party are working on



those questions, but we can hardly be blamed for criticizing the profit sharing reform, for it is entirely inadequate. It would be most objectionable if we did not point out that the profit sharing reform actually is part of the incomes policy, in the form of a compulsory savings arrangement. But it is also clear that we must participate in the discussion of the existing possibilities for changing the economic policy. That is why we prefer to avoid entering into the debate on industrial democracy, but that does not mean that I find that in order to establish a workers' majority, we have to accept profit sharing as the means to achieve this goal. For it is not.

A workers' majority is strongest if realistic solutions are found via a critical debate. And, then, of course, it is still the case that nobody at the workplaces are discussing these problems. There, entirely different positions are held. And our demands for nationalization meet with greater sympathy among the population than profit sharing.

I have previously likened profit sharing to building a house without foundations. Today, when capital may move freely across the borders, it would not be possible to control capital via a profit sharing scheme, nor would it be possible to ensure investments for the very reason of the possibilities of capital to cross the borders and thus contribute to undermining the enterprises to be developed on the basis of the economic policy. I find that extremely important."

#### The New Center

Resting in his chair in the teachers' lounge of Langbjerg School, the new chairman appears somewhat tired, which is not strange. Four congress days and nearly as many nights full of discussions are hard on even a young and new party chairman, but there is no lack of desire and zest to continue the discussions on the possibilities of a workers' majority.

If one imagined that one might create a workers' majority by sitting at a desk discussing issues, Social Democrats and Communists among themselves, there would hardly be any prospects of a workers' majority. Indeed, the fact is that such a majority may only be created on the basis of activities within the labor movement and in popular movements.

The possibilities of creating a workers' majority are based on the strength, support and confidence within the labor movement. That is the prerequisite. That is why the discussion on the political basis for developing a workers' majority must be commenced in the trade unions and at the places of work and be developed via those channels.

The important thing are activities within the trade unions to exert pressure on the Social Democratic Party. And if one views, for example, the economic policy proposals of the Semi-Skilled Workers Union, it appears that the Semi-Skilled Workers Union is closer to the position of the Communist Party than to the incomes policy solution of the Social Democratic Party.

There is a need for drastic changes in the economic policy. And that is why it is our task as a party to see to it that the Communist program adopted by

the congress become the subject of a debate with the other workers' parties.

We do not have the sole rights to ensure unity within the workers' movement or among the forces of the Left. It is clear that also other parties are contributing, but we have special possibilities of placing ourselves as a new center for the forces of the Left--not least against the background of the optimism that has marked this congress.

#### Communist Party in the Folketing

The Communists are starting their election campaign from the congress, and the new party chairman has no doubts that the party will succeed in becoming represented in the Folketing.

"We shall gain access to the Folketing, not least on the basis of our own conduct and the secure basis of the policy we present. But one of the conditions for regaining our parliamentary influence is that we strengthen our work within the workers' movement. For it is on the strength of our efforts there that we shall create the basis for our representation in the Folketing.

We probably have not previously given sufficiently high priority to our parliamentary work. In connection with the nominations we have made for the Folketing, we have managed to bring a number of new people forward who are also politically working more with the parliamentary work. In this way, we shall also be able to make our positions known and appear as a parliamentary alternative.

It is a question of combining the work in the popular movements with a more clear position on the part of the party. The latter will be strengthened during this congress period. That will not take place at the cost of the work in the popular movements but as a supplement to the work," says Ole Sohn.

We probably have not been working sufficiently well with the economic policy, and we shall make greater efforts to create a sharper profile in the the environmental policy and social policy areas. In this connection, it will, of course, play a role how the central committee selects the committees to work in the areas concerned, and that we create good, collective teams in the party which are able to put optimism into the work," the new chairman of the Communist Party concludes by saying. And he hurries on to the following task.

#### Sohn Comments on Election

Copenhagen LAND OG FOLK in Danish 28 Apr 87 p 3

[Article by Tom Reher]

Since the conclusion of the 28th congress held by the Communist Party during the Easter holidays, the air has been thick with rumors and reports in the press on the outcome of the meeting of the central committee, which in the night prior to Easter Sunday appointed the party's chairman and deputy

chairman. We have asked Ole Sohn how he became chairman and Jan Andersen deputy chairman of the Communist Party.

#### Opinions Divided

"Within the newly elected central committee, we had a long talk back and forth on the pros and cons of electing either me or Jan chairman and how our efforts could be best utilized. From the very start of our discussion, proposals were made to have both a chairman and a deputy chairman. Ideas which Jan and I had previously felt were an excellent solution and which we therefore, naturally, supported at the meeting of the central committee," Ole Sohn says.

He admits that opinions were divided on the matter and that many felt that the party should be continued as usual with a chairman for the Communist Party and the secretariat and executive committee appointed by the central committee. "Opinions were also divided whether Jan or I should be chairman of the party."

"The first vote within the central committee took place against the background of a proposal that I become chairman and Jan deputy chairman. Here the votes were 24 for and 22 against the proposal. The central committee, consequently, took a vote on me as chairman, and in this vote 44 supported my chairmanship and 3 opposed it. In the following vote on Jan as deputy chairman, 40 supported the proposal and 7 opposed it," says Ole Sohn.

He does not conceal the fact that the meeting Saturday night lasted about 7 hours because of long and difficult discussions on the issue of chairman and deputy chairman.

"Jan and I were fellow players, and we made ourselves available in the discussions within the party as to who would be succeeding Jørgen Jensen. We made it abundantly clear both to the press and the party that we did not want to be rival candidates," the new chairman of the Communist Party says, adding that the idea of a chairman and a deputy chairman actually was not his.

Ole Sohn goes on to say that it is due to "purely practical considerations" that the next central committee meeting will not take place until Saturday, 9 May. "We are all of us heavily engaged in the preparations for the 1 May meetings, and we have therefore not seen any reason to convene a meeting of the central committee prior to that date. After 1 May we shall have more time to make preparations for the meeting of the central committee in which committees with chairmen will be appointed. It is probably also a good idea that I, as an entirely new chairman, be given time to talk with the various people before the meeting. There are no other considerations in connection with the next meeting of the central committee," Ole Sohn says.

7262

CSO: 3613/81

## PAPER LAUDS DECISION ON SWEDISH, ICELANDIC CONSUL APPOINTMENTS

Godthaab GRONLANDSPOSTEN in Danish 1 Apr 87 p 10

[Text] Greenlanders who grew up during the war can remember how proud we were when Erling Porsild was named as Canada's consul in Greenland. This was a man who had grown up in Greenland and spoke Greenlandic as his second native tongue. And the pride was even greater because he was one of the very first consuls in this country's history.

Erling Porsild was not a Greenlander by birth but now we have a native-born consul. Yesterday Hans Pavia Egede of the firm of Egede & Brons was named as the first native-born consul in Greenland's history. He became Sweden's consul general in Greenland and later this year two more native consuls will be appointed. They are Qaqortoq mayor Henrik Lund and Anders Brons of Egede & Brons. They will be Iceland's consuls general in Greenland.

The appointment of the first consul born in Greenland indicates recognition of Greenland's home rule government. We are no longer a colony but an autonomous region of the Danish kingdom with our own "government" and "prime minister." At the same time it also indicates a recognition of Greenlanders. Greenlanders no longer have to feel like second-class people in their own land but are mature enough to hold jobs on the international level.

The man who has been appointed consul general is young. He has already demonstrated what he can do. And that kind of example means a lot in our society of young people.

It is no accident that the Nordic lands are the first to set up consulates in Greenland in peacetime. Greenland and the Nordic region have had long historic traditions. Greenland also has blood ties with the Nordic lands.

Therefore there is reason to rejoice that Nordic cooperation has now been augmented by establishing consulates.

It is a sign of the new Greenland.

6578

CSO: 3613/76

## IMPACT OF HAMBURG, RHINELAND-PALATINATE ELECTIONS ANALYZED

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 May 87 p 1

[Text] For 16 years the CDU had an absolute majority in the Mainz State Legislature; since 1971 it has governed there by itself. Realistically it had to be prepared to accept a decline this time. But this high loss--a tribute to the power in Bonn--had not been expected. For the CDU a serious warning signal that it cannot ignore either in Mainz or in Bonn. Here a few things have accumulated, such as in the case of the farmers and vintners, in part as a consequence of the campaigns against missiles and armament extending into the irrational, of which the FDP boasts even afterwards. In Mainz it was a fall from a great height; Bernhard Vogel is just about able to govern together with the FDP. For Bonn the outcome of the Rhineland-Palatinate and Hamburg elections is tantamount to a warning; the preceding success in Hesse is politically used up.

What is encouraging with respect to the Main election result is the fact that there is a limit to the various free voter communities which put up candidates not only in Rhineland-Palatinate for the state legislature. Many of these communities, which make sense and are justified on a municipal level, are instigated into statewide adventures by ambitious promoters, inspired not least by the hope of obtaining if no state legislative seat then at least a considerable election bonus. This, too, cost votes for the CDU.

Finally the Social Democrats in Rhineland-Palatinate had to suffer for the fact that their recent political course has lost credibility. Their wishful aim to exceed the 40-percent mark was not achieved by them although the big opposition party should really have profited more from the "attrition" of the government camp. Instead there occurred once again a transfusion in favor of the Greens. The SPD has maneuvered itself into the fatal suspicion of determining its relationship with this party only according to political opportunities. Immediately after Hesse, where a kind of pre-engagement had been celebrated during the election campaign, the SPD suddenly declared the Greens as politically no longer acceptable. Such mind-changing must irritate the voters.



The Republic's political scene has once again radically changed with the two elections of Sunday. At least at the edges of the parties' spectrums the voters have become mobile to an extent that would have been regarded as impossible in the past. Landslide-like victories and defeats are now no longer exceptions. The much-praised mobility has now also gripped the voters--and the parties will have to adapt themselves to that in their political approach.

12356

CSO: 3620/217



## PARTY REACTION TO LOCAL ELECTION RESULTS EXAMINED

## SPD Cautious About Future

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 May 87 p 2

[Article, datelined Bonn 17 May, by Helmut Herles: "In Ollenhauer House They are Bidding Farewell to the Chill; The SPD Gains Confidence"]

[Text] After the first predictions and trends had become firm, the SPD press spokesman and former FDP general secretary Verheugen said in the Bonn Ollenhauer House: "If that keeps up the chairman himself will come and comment." But Brandt did not come. He left the field for initial comments to Federal Party Director Glotz, the TV appearances to Deputy Party Chairman Rau. The future party chairman, Vogel, had traveled to Berlin for a meeting with Honecker and stayed there because he expects to meet with the party presidium this Monday at 1900 hours and, before that, will convene his parliamentary party executive. The SPD Bundestag parliamentary party will meet in the old Reich capital on Tuesday. With this schedule Rau wanted to spare his partner Vogel, as Brandt's successor, a possible continuation of the Hesse dirges. Vogel was supposed to go to the party congress "unscathed"--and thus did not have to comment on the losses of his brother Bernhard in Rhineland-Palatinate. But the future party chief could have happily sounded off a little for the first time again. Since Brandt's resignation announcement on 23 March and since the loss of the SPD heartland of Hesse, this was more of a springtime of his dissatisfaction.

Retiring Federal Party Director Glotz enjoyed his farewell performance as a nimble commentator of the most varied SPD results between successes and bitter defeats; he was never at a loss for words. Is Brandt going to come? "No, he sits in his easy chair and is happy." "I find it very generous of Scharping and Dohnanyi to give me such a send-off." Is he going to include Glotz, too, among Brandt's grandchildren? "I have decided to be an uncle, grandchild, that's out." The relief could be seen on Glotz. His farewell is more light-footed than Brandt's who, as an Unkelen citizen, did make 13 campaign speeches in Rhineland-Palatinate, last in Neustadt an der Wied, but he does not want to take his farewell from the party in public until the special party congress on

14 June. Glotz labeled the results as "very, very positive." In Hamburg, he said, the party is once again the leading force. "Nobody can govern against it." Scharping, he said, gained a "great success" in Rhineland-Palatinate after a hard struggle. He is now curious whether the comments will now attribute the "catastrophe" to the other big people's party as quickly as they otherwise do to the SPD. His party now looks with even greater confidence at the coming elections in Bremen and Schleswig-Holstein. Glotz seems to have put the loss of Hesse out of his mind.

Many Social Democrats now feel what Scharping had said during the election campaign: "Pride and defiance." This evening Rau can feel vindicated. His TV commentary reflects that: The Rhineland-Palatinate SPD has conducted a grassroots election campaign and has not engaged "in the big games that were usual in the past." With today's election outcome the former chancellor candidate sees the return to "certain normalcy," if there were a coalition of his party with the FDP in Hamburg, "then the thinking in camp blocks of red-green and black-yellow is ended." Verheugen pointed out that for the first time in a big city like Hamburg the rise of the Greens was converted into a loss. Thus the SPD course towards the Greens that has become more pronounced recently could have been rewarded, it is noted in this connection among the North Rhine-Westphalian Social Democrats who have "always" advocated this clarity. Glotz says that in the future the voters will take it even more into account that the Greens had "taken leave from politics in favor of fundamentalism." And the former FDP general secretary Verheugen considered it a good thing that the calculations made by a segment of the SPD with the Greens--along the lines of the former addition attempts of Chairman Brandt--are now being turned into other directions by a possible coalition with the FDP. Glotz said a coalition with the FDP in Hamburg means: "It is a good thing that in the FRG there are then no longer single-party governments only."

Sunday night the weather was milder in Bonn than the meteorologists had predicted. In the Ollenauer House the "chill" that had prevailed for some time now seems to have taken leave, although curiously enough Vogel and Rau are sometimes referred to as "icemen" in party jargon.

#### Greens Survey Hamburg Losses

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 May 87 p 2

[Article, datelined Bonn 17 May, by ban. "'Penalty Card for Refusal' Disappointment Among the Greens about Hamburg Losses"]

[Text] Small losses in Hamburg for the GAL (Greens Alternative List) and a leap, though not very great, of the Greens into the Mainz state legislature had been expected by the spokesmen of the federal executive

of the Greens. And since their prediction was fulfilled only for the Rhineland-Palatinate election but not for the Hamburg election, the entry of the Greens into the Mainz state legislature was acknowledged with rather perfunctory joy. The Greens, they say, are without "prominent persons," without outstanding figures within the party there and also the state association in general is not one of the strongest in the federal party. Some even were worried that the Greens in Mainz could just fall short as they did in 1983. Mrs Berthold, an executive board member of the Greens, labeled the result as "optimal." Nonetheless the representation of the Greens in the Mainz state legislature is weaker than in other state legislatures. Mrs Ditzfurth, party spokeswoman and spokeswoman of the fundamentalists, explained the outcome by the fact that the voters in Rhineland-Palatinate are simply "more difficult to persuade," that it is more difficult to detach them from other parties to the Greens than in the regions shaped by big cities.

But the interest of the members of the executive and of the party was concentrated on the GAL loss of over 3 percent, unexpected in its size. Within the party this loss is an explosive factor; the GAL majority is shaped by the economic socialists around former executive spokesman Trampert and the present parliamentary party spokesman Ebermann, who anyhow reject any coalition with the SPD and also usually stipulate hard conditions for tolerating an SPD mayor. Thus a defeat of the economic socialist-fundamentalist wing? One of the political realists remaining in the federal executive, Mrs Berthold, spoke of a "healing bloodletting," of a "penalty card for refusal," and she hopes that the result in Hamburg will once again bring the "self-healing forces" in the party to the fore. The "shrinkage process" must be interpreted as an opportunity, also for the intra-party dialogue.

Mrs Ditzfurth viewed the situation differently. The SPD, she said, made pre-election promises and bought over 40,000 apartments of the Neue Heimat. In addition, there were worries on the left in Hamburg that the CDU/CSU may achieve a two-thirds majority in the upper house of the FRG parliament. After all, even in the Greens camp the argumentation has again been made that in a situation in which Hamburg "threatens to become black," it is the "lesser evil" to vote for the SPD. Some of the 1986 GAL voters returned to the SPD; they were simply not "original GAL voters." And she labeled as "nonsense" the assertion that it could be a defeat of the economic socialist segment of the party. She does not want to assign any blame. Mrs Michalik, also a spokeswoman of the executive board, was "disappointed" by the GAL result, felt three election campaigns are a lot for a small party. Allocations of blame to the GAL on account of the attitude of rejection? Mrs Michalik, too, is disappointed over the fact that many GAL voters went back to the SPD because of the "worry over the right" and possibly the point was not sufficiently imparted that at least in Hamburg the difference between SPD and CDU is "minimal," she said. Party director Walde spoke of a "bitter reverse" in Hamburg. Some conjectures arise that after the result in Hamburg the disputes between the "fundamentalists" and the "realists" will once again be aroused.

## KKE CONGRESS: COMMENTS, ANALYSIS

## Rejection of Pluralism

Athens I KATHIMERINI in Greek 14 May 87 p 7

/Text/ It is true that the KKE has taken many steps in the direction of a parliamentary attitude in a liberal anticommunist society. However, this abandonment of a revolutionary attitude, justified by the very long periods of illegality and persecutions suffered by the party in almost 70 years of its existence, should not be allowed to be interpreted as the abandonment of fundamental principles of the leninist view as to the kind of regime that socialism should establish.

The KKE remains steadfast on its traditional positions on this matter. Evidently, believing that the duty of historic evolution is to remain loyal to leninism, and not that marxism must "adapt" to developments!

The speech of the general secretary of the party, Mr Khar. Florakis, the day before yesterday, during the opening sessions of the 12th congress, absolutely was persuasive of the KKE's insistence on its relentless hostility to whatever is associated with the western world and the mechanisms operating its democratic parliamentary regimes. And it is exactly this insistence on relentless hostility to the western organizational model of political, economic and social life that entirely remains inexplicable at a time when the party itself proposes that it participate in government responsibilities together with non-communist forces. Because, really, how is it possible to propose political cooperation with parties or personalities for the purpose of progressively abandoning their principles and ideological convictions, and hope this will be acceptable?

The traditional leninist position the KKE must abandon to promote itself as a party that seeks power in a western type parliamentary democracy is the dictatorship of the proletariat. By insisting that the dictatorship of the proletariat, in other words the collective and absolute power of only one party, the "party of the proletariat", is the irreplaceable form of organization of the regime, it does not only render useless its proposal for 'equivalent cooperation'. It reveals the internal rivalry of communism to this same meaning and to the multiform "services" of democracy.

In fact, when the socialist regime desired by the KKE is in place, one wonders why it would be unacceptable to have more than one party that will seek to share in operating this regime? Why does the proletariat not legalize having more than one view for the best execution of socialist authority and the promotion of its interests? How can the position Mr Florakis developed the day before yesterday on the need for the unimpeded function of democracy so that the road to the real, as he described it, "socialist change" will be "facilitated", be consistent with the opposition to the operation of the same mechanisms for the continuous progress of socialism? Are not all these contradictory?

They are. And, unfortunately for the KKE, they do not help at all in promoting its pursuits. Neither do they help in increasing its present electoral strength. They keep it, despite its rhetoric efforts, outside of the active political life of the country. Because "active" political life surely is neither the presence of a larger or smaller number of officials in parliament nor the provision of an organizational shelter to complainers, during normal times, for purely labor union subjects dealing with income. It is the acceptance by the entire population of the right of every party to come into office, as long as it has assured that, as the party in power, it will respect and leave untouched the procedures that enabled it to gain office. That is to say, that it has assured that when it is the government, it will not remove from the people the right to remove it from office!

The official and stubbornly supported positions of the KKE do anything but provide the establishment of such assurances.

This is also the greatest, insurmountable obstacle to getting the party into office. The other objections to the so called "supports" of "conservative" policy is of less importance. And for participation in NATO, for joining the EEC, for the American bases, it is possible to find some ground for compromise with non-communist forces. For the abolition of multi-partyism, for the suicide of the people as the only source of power and its replacement by the "party", no! Not even the decline of PASOK that wanted to establish exactly the single party power has reformed the KKE?

#### KKE's Andronidakis Views

Athens 1 KATHIMERINI in Greek 15 May 67 p 1

/Text/ The positions of two outstanding KKE officials were indicative of the tendencies that are emerging during yesterday's third day of business of the otherwise "low key" congress of the party.

The representative of the renewal tendency, H. M. Andronidakis, alternate member of the Politburo, took the most radical position up to now strongly supporting the "bold quality turn" that he claims is a one way street.



At the same time, indirectly he supported the necessity of renewing the present leadership, saying that "the Central Committee must proceed to make the necessary reorganizations of its mechanisms and of its staff". The antipode to this bold intervention of Mr Andronikakis was the speech of Mr Vassos Georgiou, a known reporter who was critical of liberal tendencies being noticed and made special mention of the dissolved KGV /Communist Base Organization/ of reporters, condemning the renewal views of certain of its members.

It should be noted that Mr Georgiou's speech was not publicized and that the reported facts were taken from reliable sources.

#### KKE's Florakis' 'Doubterack'

Athens I VRADYNI in Greek 16 May 87 p 4

/Article by Rodolfos Merolis: 'And Yet, The "New" Language of the KKE is Very Old'./

/Text/ Ambiguity, that is the characteristic identification of the language of all the communist parties, is that quality that allows them to claim the "justification of their positions" no matter what happens. Even though frequently they are off in their projected analyses and in their predictions, later they can always go back to their analyses and rejoice that they had predicted the developments and had taken the necessary measures.

Despite the certainty that they will be giving a different meaning tomorrow to what they say today, it is interesting to determine what the views of the KKE are regarding its proposed rally of the forces of the left and how the party interprets this on the road to power. Furthermore, how it will cope with democracy, if it gains office, since democracy is identified with multi-partyism. The opening speech read at the congress by the general secretary of the party, Mr Kh. Florakis, presently is the surest guide to this research.

The coalition of the leftist forces is the most repeated "request"/"proposal" of the 12th congress. It is a coalition aimed at "the change in the direction of socialism". If one removes the emotionalism from Mr Florakis' speech, what remains is that the KKE sees the coalition as the only way that could get it into power. In order to be persuasive in its appeal to other forces, it proclaims that the "coalition of the left will not be a mere sum of forces, but a new quality, capable of creating a new large current of turning the people to the left, from which all will benefit, especially the country and the change". And Mr Florakis emphasizes that: "We are not looking for background actors, or for satellites, or for fellow travelers, but for equal partners in an alliance of forces with differences in the consideration or confrontation of one or another problem".

## The Blinders

The impression that is born from reading the paragraphs dealing with the intentions of the KKE is that, at last, the party has decided to take off its blinders, give up the old tactics of attacking and cooperate on equal terms with other parties that share its views about the needs of the country. In fact, Mr Florakis will insist: "We are struggling for an equal alliance among various forces and not for 'attacks' and maneuvering for leadership".

One would say that there is no room for misunderstandings and that the declaration is very clear. However, faithful to the tradition that independent of what we say, we mean something else, Mr Florakis says later in his speech: "The upper hand in such an alliance (Mr Florakis said he would not talk about "attacks" and found another expression) will be held by the world of the left itself. It will be held by those of greater consequence, initiative, versatility and stability who work for the common goals". Even though he does not admit it, Mr Florakis talks of an alliance that will not be attacked from the top but from the base.

The same "discovery" is found back of the form of power that Mr Florakis dreams about. He does not hesitate to say "passing into socialism is not simply and merely a calm, continuous procedure of continuous reforms and electoral rivalry" and assures that "the popular movement, with the labor class as a pioneering force, will be the main force, the large steamroller of change, for the total capture of power by the labor class and its allies".

Despite all this, Mr Florakis also uses the word "multipartyism" and talks about establishing "an open 'multipartyism' without discrimination" to clarify that he means "a multiparty alliance of the left" only.

And so there is talk by the KKE and Mr Kh. Florakis about equality and attacks and for democracy with multipartyism, but also for the dictatorship of the proletariat (that he does not use the term perhaps is the only concession that Mr Florakis made, but it is on a big sign in the meeting room of the congress).

It is obvious that the man was right when he insisted that "there is nothing entirely new" with all those who were talking about the "new language of the KKE". Simply, being used to the tactic of the KKE of saying one thing and meaning another, we did not want to believe him.

However, for once, we should have.

## Congress Reviewed

Athens TO VIMA in Greek 17 May 87 p 6

/Article by I. K. Prenderis: "Something is Changing in the KKE"/

/Text/ Finally, the 12th congress of the KKE was hiding a surprise. Discussion did not focus as much on "change directed toward socialism" (as RIZOSPASTIS of 12 May predicted) and the much discussed "coalition of the left and the progressive forces", as the last eight pages of the introductory speech of Mr Kh. Florakis. In other words, the ones that were "codified" under the title "quality turn in the work of the party".

In the congress meeting room in Parissos, and under the sign on the wall with the slogan proclaiming "Long live Marxism, Leninism, and the Proletarian Internationalism", a considerable number of the 587 regular congress attendants agreed with an observation: The structure and the spirit of the function of the KKE correspond not only with the Greek community of 1967, but also with the same policy that this party hopes to put into practice in the near and remote future. (TO VIMA, 3 May 87). Even the constitutional changes that reached the House of the People the last minute, among other things, sought to bring this structure closer to the present.

Of course, Mr Florakis clarified from the start that the "quality turn" in question is "a cut in the continuity of party life". At the same time, however, he stressed the objective, that is: "to win the confidence of the masses" in the KKE "as a force that can be trusted with the responsibilities for the course of the country and its administration".

The truth is that the "turns" and the "jumps" belong somewhere in the traditional rites of the party congresses. At the 11th Congress, Mr Florakis himself talked about "a new and successful jump in the work of the party in every sector" (final speech) and had asked "to make a jump so that we may find ourselves at the height of the demands of the times" (introduction of the Central Committee).

Who would imagine, however, that he would include in the criteria for the development of the officials: "the ability to communicate with the people, to be judged as leaders and cadres, not only from the party base, but also from their social world, the followers and the working people"? Usually the "policy for cadres" of the KKE was strictly an intraparty matter.

Of course, from every quarter, the "quality turn" in the congress was coming and going "Revolutionary renewal", according to Mr N. Androulakis, who goes so far as "to absorb comrades, who may have been skeptical, in the practical work of the quality turn" (even though, always according to Mr Androulakis, the KKE should give "immediate, tangible examples of quality turn from top to bottom", in other words from the Politburo to the Base Organizations) and in fact with "total measures" and not only organizational ones.

Mrs Al. Paparrigas (alternate member of the Politburo) understood that the "quality turn" means, among other things, the increase of "democratization" and "centralizationism", as well as "a greater self sufficiency that the communist base organizations must attain in their work to process and promote the ways of applying the compulsory(!) decisions in their areas". Mr K. Moskov asked for a radical renewal of the leadership, and even the immediate election by the base of certain higher functionaries. Mr Sp. Khalvatzis (alternate member of the Politburo) asked for the "most faithful maintenance of democratic centralizationism". Mr D. Georgatos (Central Committee member) observed that "the substantial increase of the political/ideological role of the party" is "the key to attaining the turn we seek". Mr D. Karangoules (Central Committee member) reminded that in the development and promotion of cadres "we should not abide by any anniversaries". And Mr Vasos Georgiou observed that in order "to effect a quality turn, we must work as communists"!

This way, Mr Florakis, in concluding the conversations, came to the conclusion that "the more general conclusion that comes out is that our party has a vast experience in all sectors of work that can be formalized and used so that it can secure the successful future course of the party". In other words, he had understood what we have understood: that the elements of the "quality turn" will primarily be tried in practice.

Of course we would be unfair if we claimed that "the coalition of the left forces" was missing from the congress. It was present and it was discussed. Here too, what was sought, that is the same, was stated clearly by an attendant from Khania, Mr Agorastakis. We must persuade, said Mr Agorastakis, that the KKE "is a party that can rule, a party that is knocking on the door of power".

The traditional retrogressions, however, are not abolished by a decision of the Central Committee. Somewhere a suspicion lurks that perhaps the coalition in question is getting condensed more than it should into "top level movements". What comes from it is the permanent rehashing of its endorsement of the so-called "mass movement". And then, at this point Mr Gondikas, a member of the Politburo and secretary of the KOA /Sector Party Organization/, was very clear, what is said about "change directed toward socialism", "is not yet a steady conviction of the entire party dynamic" and there is a need "for it to be absorbed in its substance and depth to secure a unique understanding and attitude, first of all by the cadre dynamic". Because, if the cadre have not absorbed all this, it is not inconceivable that "the matter of rallying was not done to the extent necessary, a matter of the base" (A. Skylakos, alternate member of the Central Committee and secretary of the Thessalia District Committee). In fact, Mr Skylakos had problems in his district during the selection of candidates for the municipal elections (he said the organizations preferred the party people), while there was "distrust and prejudice" for those who came from PASOK and the KKE interior.

More generally, however, PASOK stock was not very high with the attendants of Perissos. Various people (V. Georgiou, Giannis Nystazakis) supported that if someone belonged to PASOK in the past, he should not be branded for life and that he should join the array. Mr. Sp. Khalvatzis even referred to "a world from the former 'Interior' that has a combative attitude against the problems". If nothing else, these views are justified, since by taking this and that one out, the array is in danger of merging into an electoral form for use by the new and old "friends of the party". (At least those who could, by invitation, watched the congress from a closed circuit television installation in the House of the People. The rest were restricted to the coverage offered by the Press Office of the party that released excerpts from the speeches of the attendants to the press.)

Another injustice would have been committed if it was not observed (or just mentioned at least) that Mr Mikhail Gorbachev was in the room. The only thing that is certain is that the image of Mr Gorbachev that circulates in the ranks of the KKE does not coincide with the one that is held by the rest of the mortals. The attendants (regular and alternate) may have been applauding standing up to the rhythm of "Long live the country of the Soviets" the presence of the Soviet representation, but their relations with the responsible official of "the country of the Soviets" are rather ambiguous. So that we may be clear: Mr M. Solomenchev from the Politburo of the CPSU brought the message from Mr Gorbachev to Mr Papandreou, but did not say a word about his leader to the 12th Congress. At the congress, he merely brought "warm greetings" from the Central Committee of the CPSU, made a six page speech and brought a vase as a gift. He did not mention anything about "personal greetings" from the General Secretary of the CPSU, as was done by (not in the right order) the representative of the Unique Socialist Party of Germany for Mr Erich Honecker, the representative of the Unified Labor Party of Poland for Mr Wojciech Jaruzelski, the representative of the Rumanian Communist Party for Mr N. Ceausescu, the representative of the Bulgarian Communist Party for Mr Todor Zhivkov, the representative of the Czech Communist Party for Mr G. Husak etc. Even the representative of the People's Democratic Party of Afghanistan found a way of saying a few words for (unknown to us) comrade Nagib.



On the part of the attendants, and of course if we except the introductory speeches, Mr Gorbachev has assumed the role of the pacifier and the peace lover. Not much was heard about what **was** going on in the Soviet Union: only Mr Andronikakis talked about the "powerful revolutionary rejuvenating wind that comes from the first country of socialism" while Mr Moskov mentioned Mr Gorbachev to quote (the somewhat complex) view that "the sensitization of the communist in the extension and creative development of the produced political wealth is the attachment of the struggle for the total liberation of man and the abolition of the class formation in life". However, it should be noted that Mr Vasos Georgiou addressed "those who advise us so belatedly to take into consideration the banner of Gorbachev" to tell them "gentlemen, we are not coincidental admirers of the Soviet Union and the Communist Party of the Soviet Union", but "tried and conscientious allies". And clarified that "the general banner" means "the regrouping of the communist internationalists of all the world for peace, democracy and socialism".

With all the shortcomings and weaknesses, however, a KKE is beginning to emerge that is different from the one we got to know in the past ten years. More "political" and less "ideological". With intentions to "open up in society". With intentions to grow "into a party that seeks office". A conscience begins to form that the slogans and the reference to the glorious past do not make a political phrase and, surely however, are not persuasive in 1987. Mr P. Paraskevopoulos, president of the Labor Center of Thessaloniki, talked about "getting rid of the high bidding struggling syndrome".

Furthermore, the general view of the opening ceremony of the congress betrays certain changes. The timed ceremony, the flawless organization, always on time for the appointment. On the contrary, white hair was beginning to become scarce in the room. 66.5% of the attendants were younger than 40 years old, 57% had become members of the party after 1974. 38.3% are mentioned as graduates of AEF /Supreme Educational Institutions/. The truth is that at the 11th Congress, Mr Florakis had stated since then that the 77% of KKE cadre were under 40 years of age. This week, however, in the House of the People, only 15.7% of those present had taken part in the resistance.

And so the generations change, the age (but also the social and educational) composition of the cadre dynamic also changes. Of course, the leadership remains. Generally there is a feeling, especially after the constitutional changes that provide for the position of a president and an alternate party secretary, that Mr M. Florakis will not open the 13th Congress as General Secretary. Transitional leadership: "Three man rule" with Florakis in the "superparty" role of president? Very possible. Nothing, however, can preclude surprises. Surprises as to when the succession will occur as well as who the people will be.

"I say we should agree somewhere that the work was simply positive" said Mr Florakis Friday night, "perhaps someone will say that this evaluation is modest. I do not know. Let us be modest". Today, however, attendants and guests will be relaxed to watch an artistic program and the choir of the KNE /Greek Communist Youth/ at AEK /Athletic Union of Constantinopolites/ stadium in the morning and a classical music concert in the evening. No matter what, the political life develops outside of the meeting rooms of the congress. And in this political life, the KKE will have to make some "quality jumps and turns", if it wishes to catch up with it. Otherwise, as RIZOSPASTIS wrote on 14 May publishing warnings from the secretariat of the congress to the speakers, "when the first little light goes on, you have 3 more minutes to finish your speech. When the second one goes on, your time is up and your phrase will be hanging in mid-air". The title of the publication: "The little light, comrade!".

9346

CSO: 3521/127

JAGLAND NAMED LABOR PARTY INTERNATIONAL AFFAIRS PANEL CHIEF

Oslo AFTENPOSTEN in Norwegian 14 May 87 p 3

[Article: "Jagland Head Of Labor Party International Affairs Committee"]

[Text] The Labor Party's executive committee has chosen party secretary Thorbjorn Jagland as head of the party's international affairs committee.

Jagland succeeds Foreign Minister Thorvald Stoltenberg, who wished to be relieved after many years as chief of the committee. He will continue as a member of the committee.

Others on the 22-member committee are Johan Jorgen Holst, Trond Johansen, Arne Karstad, Vesla Vetlesen, Jens Stoltenberg and Harriet Andreassen.

12789

CSO: 3639/61

## COLUMNIST DESCRIBES FOREIGN RELATIONS AS 'CIRCLE OF FIRE'

Istanbul MILLIYET in Turkish 13 Mar 87 p 7

[Commentary by M. Ali Birand]

[Text] Since rumors of Turkey's application for full membership in the EEC first surfaced last year, our relations, particularly with our neighbors, as well as our internal politics have become increasingly unsettled. Is this a simple coincidence or a product of provocation coming from certain circles? We do not normally subscribe to international conspiracy theories but looking around one is forced to wonder whether there is more to it than the eye can see.

The developments concerning the Kurdish problem is at the head of our worries. This is not a new problem. There have been clashes for some time, with army involvement. But in recent months the scope of the problem got bigger and bigger, transforming the nature of the issue altogether. It is particularly notable that the problem has lately drawn international attention. In national and international parliaments the issue is increasingly brought up. Though it is more of a concern for Iran, Iraq and Syria, and Kurds are under oppression in Iran and Iraq, it is Turkey which is being asked to shoulder the blame. As if Turkey was the site of Kurdish independence struggles, as if nothing was happening elsewhere, Turkey is being brought to the dock. Indications are that this is going to get worse in coming months and Turkey will be saddled with the whole Kurdish problem.

In our earlier writings we posed the question as to who were behind the Kurds. A Turkish diplomat friend of ours talked of a document he had once seen. During the time when (Helmut) Schmidt was chancellor of Federal Germany, the church had asked "whether the Federal Government had a Kurdish policy." The government's answer was very interesting:

Turkey is an allied country and we do not want to see it destabilized. However, the Federal Government does have a Kurdish policy, and our current policy might change according to Turkey's attitudes and developments in the region.

If we also consider that Kurdish leader [Mustafa] Barzani was receiving money from the CIA, and that the Soviet Union gives arms and political support to some of the Kurdish groups, one sees that almost everyone has some form of involvement with that region.

\* \* \*

A survey of our relations with neighboring countries, together with the EEC debates, reveal the curious nature of the situation:

Iran: Longstanding policies of neutrality and non-interference in internal affairs are being ignored lately. And major problems started appearing in our relations which are slowly turning into an exercise in mutual recriminations. If such developments are not checked our relations with Iran might deteriorate to the point of severance.

Iraq: Baghdad, while not openly objecting, is not too happy with our military operations. It is allowing Turkish forces access because of not being able to control the Kurdish groups within its territory. Despite that there is a decline in Turkish-Iraqi relations.

Syria: Our relations, tense for many years, are put under greater strain because of the Kurdish groups.

In addition, dangerous developments have surfaced in Greece. The disputes which were conducted verbally to and fro, assumed a more serious character with news of a Greek intention to search for oil in the Aegean.

When we add the rise in reactionary movements and the small-scale reawakening of terrorist activity within the country, the picture becomes clearer. It is difficult to view all these developments as pure coincidence. It is likely that the aim of those wanting to discomfort Turkey is to create a feeling of being encircled. And then arriving as the 'saviour'... They can have some short-term gains but in the long-term -- if we ourselves know what we really want -- they won't succeed.

12466

CSO: 3554/225



## FORMER ARMED FORCES CHIEF CLAIMS BUDGET BILL CONTAINS WASTE

Copenhagen AKTUELT in Danish 21 Apr 87 pp 10-11

[Article by G.K. Kristensen, commander of the 2nd Zealand Brigade: "Billion-waste in Proposal for New Defense Blunder"]

[Text] At long last the government has presented its proposal for a defense arrangement: "Danish defense in development," it is called.

If the proposal is compared to the Social Democratic debate proposal of September 1986, one must certainly realize that the latter could better be called a proposal and the government's a suggestion for debate, because that is all it is.

There are too many loose ends in the government's proposal. The most tangible are seen in the suggested budget increases: 400 million kroner in 1988, and afterwards an additional 100 million kroner each year all the way to 1992. All in all 3,000 million kroner more for defense over a five-year period over the present budget of 12,831 million kroner a year. In addition there are the remaining expenditures for four new fishing inspection ships for 1,200 million kroner.

This is therefore a considerable additional expense that the government is presenting to the people.

Now we have never had five-year defense agreements and will hardly get them, either. So the top of the increase of 800 million kroner in 1992 we can well ignore.

The government does not say concretely what the extra money will be used for, nor when the new material will be bought, either. The consequences of maintaining the defense budget at the present level with adjustments for changes in wages and prices as suggested by the Social Democratic Party are not mentioned. Therefore the demand for the extra money seems to be hovering freely. It seems like a half-hearted attempt to demonstrate good will toward certain groups in the population.

The international situation does not speak for such budget increases in the NATO countries at the moment.

Nor has the government been able to document that the extra appropriations are necessary for the maintenance of a credible Danish defense. And with good reason. If the Social Democratic modernization program is carried out, and if there is a general improvement in defense toward more efficiency and effectiveness, a credible Danish defense could be maintained for the present budget.

In addition, more improvements and developments have been presented by the Social Democrats than in the government's proposal. But this requires a strict prioritization, which the government is creeping around.

It is a little provocative that the government has proposed that the two frigates be kept. Since 1970 the Social Democratic Party has challenged the justification of these vulnerable ships. In accordance with the defense arrangement of 1984, they have now been retired, and there are no plans to assign further mobilization crews to them. The government is now trying to change this decision. The price is not given, but here there are possibilities of savings in the millions.

The same is the case in the unmentioned tank project in the government's proposal. According to reports, used German tanks are to be purchased.

There must be great uncertainty about this project. It could be dispelled by following the Social Democratic proposal to renovate the Centurion tanks in Zealand, install a diesel motor as one has done in Sweden and Israel, and keep them for the rest of the century. In this way 1,000 to 2,000 million kroner could be saved.

With a shortened agreement period of three to four years, other materiel projects automatically disappear as irrelevant because of the replacement time, so the two-three billion kroner can be brought home without any great significance.

But it would be wrong to stop here. There must also be savings, and priorities must be set within the present structure, so that the effectiveness and credibility of defense can be increased. The money must be used reasonably.

Many efficiency measures have been derailed for one reason or another. They must be begun again.

Barracks capacity not just in the Army, but also in the Navy -- for each branch "naturally" has its own barracks -- can be reduced. The government made a very poor attempt in Schleswig. But there is also excess capacity in Zealand, where the Copenhagen area must again enter the picture. Here the local political interests are not so strong, either.

Another confused area in the government's proposal is the standing preparedness in peacetime that is to prevent -- or commence operations with -- a surprise attack on Denmark.

Under the nonsocialist government the Army's permanent peacetime preparedness has been destroyed, and the Home Guard stands today generally alone -- without the members of the Home Guard knowing it. This situation cannot be defended. The permanent and constant peacetime preparedness in the Army must be restored, and this requires more voluntary, professional soldiers. It requires adjustments of personnel strengths among the branches. The most pressing item is to reduce the Navy's peacetime force. Since 1973 this branch's actual number of warships has been reduced from 52 to 41, while the personnel strength has in general remained unchanged. In the defense perspective plans of 1982-83 there was therefore included a reduction of about 20 percent that never has taken place.

Money can also be found to call in a thousand more conscripts to the Army. The government's demand for 2,500 more a year and 100,000 muster days is completely unrealistic. Under the nonsocialist government many young officers have left the defense forces. We can hardly give the present 6,000-7,000 conscripts in the Army responsible training today. In this area, too, the government has had fiascos and scandals that the defense forces should have been spared. By a reduction of 1,500 men in the government's proposal we will also be able to save 200-300 million kroner a year.

Apparently the government is well satisfied on the other hand with the situation in civil preparedness and civil defense. The protection of the Danish population does not weigh heavily. In the Social Democratic proposal on the other hand there are suggestions for greatly needed improvements. Here extra expenditures would be relevant. What good is a forward defense far out in the Baltic Sea if society and the population are not safe and protected?

The Social Democratic proposal is more in agreement with the demands of the present and the future. It agrees with the opinion on the majority of the people on the issue. It has international perspectives on defense and relaxation of tensions, and it assures the maintenance of a good, healthy, and credible Danish defense.

A better civilian preparedness and civil defense in an integrated total defense. This is what the Danish people need.

The government has with the presentation of its unrealistic and loose proposal made it difficult to achieve a new defense agreement. They are well on the way to give this ball to the Radical Liberals as well. One has not wanted to listen to the Social Democrats. Still another serious blunder on the part of the government, this time to the damage of Danish defense.

9124  
CSO: 3613/84

## WOMEN REPORTEDLY OPPOSED TO OFFICIAL SECURITY POLICY

Copenhagen INFORMATION in Danish 15 Apr 87 p 4

[Text] The defense forces are patriarchal and sexist, according to many young women. They do not accept the deterrent element in security policy as legitimate. This is a completely new development in women's voting conduct, First Lieutenant and political scientist Carl-Henrik Hall pointed out in the latest issue of MILITAERT TIDSSKRIFT.

While women previously were a little more conservative than men, or perhaps avoided extreme political positions, they are today markedly more left-oriented than men, he writes. The author considers it alarming that resistance to Denmark's security and defense policy is one of the strongest characteristics in the new women's consciousness.

## Seventy-seven Percent for Nuclear-free Zone -- with or without NATO

Hall has found that among young women there is almost just as large a percentage majority against NATO as there is a majority for it among men of the same age. In 1985 no less than 77 percent of the young women thought that Denmark should enter into a nuclear-free zone -- even if this should mean a break with NATO.

There is no doubt at all that the youngest generation of women strongly question the deterrent element in the traditional security policy as it stands with NATO membership and with defense in general, he said.

Political Scientist Lise Togeby has in an analysis of younger voters' political views and activities concluded that the young women's abilities are just about the same as those of young men, thanks to almost identical education and occupation paths. But more important is that women's political activity is now for the first time almost at the level of men's.

The strong, angry, and active women Lise Togeby describes here are in Hall's opinion something the defense forces must guard against. It is his opinion that in officers' circles one has not quite understood the strength of this challenge.

### Defense Must Change its Thinking

If complete equality between men and women in defense does not lead to a complete leveling of the opinions of the two sexes on defense and security policy, then it is advisable for defense somehow to change its thinking, Hall thinks. According to all attitude polls, women are more pacifistic than men.

The simplest solution would presumably be immediately to open all functions to women and at the same time to demand identical qualifications of both sexes.

9124

CSO: 3613/84



## SDP DEFENSE SPOKESMAN: MILITARY PROGRAM TO BE ELECTION ISSUE

Copenhagen AKTUELT in Danish 23 Apr 87 p 6

[Article by Ole Lorenzen: "Defense Included in Election Campaign"]

[Text] Every possibility of a defense agreement before the next Folketing elections now seems precluded.

With this the Liberal Party, part of the governing coalition, has fulfilled an old wish to have defense and security policy be part of an election campaign.

It is the Social Democratic Party's spokesman, Karl Hjortnaes, who among other things, on the basis of statements from Defense Minister Hans Engell (Conservative Party) concludes that the government quite simply does not wish to enter into a defense agreement before the elections.

Engell said yesterday to BERLINGSKE TIDENDE that he thought a defense agreement was unlikely before the elections, and at the same time he linked up defense policy directly together with security policy, on which the Social Democratic Party and the government in the so-called Ostergaard Committee are also trying to reach an agreement.

"This connection and the fact that we have had to wait so long for the government's initiative make it clear that the government does not want an agreement. We must take this into consideration," Hjortnaes said to AKTUELT.

Hjortnaes pointed out that the government took a long time to make its proposal for a new defense arrangement, that the proposal did not at all consider Social Democratic reports on zero growth, and that the government still has not called the Social Democrats to negotiate, even though the proposal was made 7 April.

Hjortnaes thinks that one must use the summer in the Folketing's Defense Committee for a thorough investigation of the present defense status.

"The government has given the committee its proposal, and now we must see in the course of the summer a basic amount of work so that there is a foundation for negotiation right after the elections," Hjortnaes said.

Various leading members of the Liberal Party have on many occasions in recent months clearly expressed the desire to hear the people on the defense question.

Most recently Liberal Party Chairman Uffe Ellemann-Jensen said at the party's mayors conference 4 April that one had nothing against an election on defense if the Social Democratic Party maintained its position on zero growth in the defense budget.

9124

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## SHORTAGE OF F-16 INSTRUCTORS PREDICTED FOR 1988

Copenhagen BERLINGSKE TIDENDE in Danish 30 Apr 87 p 2

[Article by Jan Jorgensen: "F-16 Instructors Sought"]

[Text] The Danish Air Force is predicting a lack of instructors to train fighter pilots in 1988. The Air Force has therefore asked the American Air Force for help. The pilot flight to SAS has caused the shortage.

The Air Force lacks instructors to train fighter pilots in Draken and F-16 aircraft. The shortage will become serious in 1988, and the Air Force has now asked the American Air Force for help in finding a solution.

"The departure of pilots to SAS and other airline companies means on the one hand that we have lost instructors and on the other that we do not have enough pilots to train as instructors," Lieutenant Colonel Poul Schroter of the Air Force said.

Last year the Air Force doubled the number of students trained as fighter pilots from 10 to 20 a year. In the first period the pilots are trained in Denmark. After that they are in the U.S. for 13 months.

"It is when they come home from the U.S. in 1988 that we will have a lack of instructors, and we have therefore asked the Americans if we could borrow some instructors," Schroter said.

Last week the Americans had a group in Denmark to investigate the conditions under which the American officers would work in this case, but they have not yet decided whether they want to help the Danish Air Force.

9124

CSO: 3613/77

## POLL SHOWS GREATEST PREFERENCE FOR CONSCRIPT ARMY

Copenhagen AKTUELT in Danish 8 Apr 87 p 4

[Text] A majority of the Danish people prefer the Danish Army to consist of conscript rather than professional soldiers.

This is the conclusion of an AIM poll. Forty-five percent of the people would rather have an army consisting of conscripts, 19 percent want a professional army, while 18 percent prefer a mixture of conscripts and professionals in the army. The latter is the case today.

AIM did the poll for the Central Organization for Professional Personnel (CS). The organization represents 10,000 professionals in the Navy and the Air Force, together with the Army's sergeants and the pilots of the Air Force. But not the enlisted privates in the Army, those with whom the poll was most concerned.

"The poll was only made to bother us," the Chairman of the Army's Private and Corporal Union, Svend-Erik Larsen, said. "Otherwise there was of course no reason to limit the question to the Army. The natural thing would have been to ask about the whole defense force. It is also clear that the expression, 'professional army' instead of enlisted privates awakens negative feelings among most people. One cannot set the conscripts and enlisted privates up as alternatives. They both satisfy a need, and there is room for both groups.

9124

CSO: 3613/77

## DEFENSE PLAN DEBATE MOVES TO FOLKETING COMMITTEE

Copenhagen BERLINGSKE TIDENDE in Danish 1 May 87 p 3

[Article by Thorkild Dahl: "Broad Debate On Defense Proposal"]

[Text] The Folketing's Defense Committee is now going into study groups, and the path to the next defense agreement will go over a series of subject debates on central parts of defense tasks and visits to many military installations.

The Committee decided this at a meeting yesterday and accepted the proposal by the Social Democratic defense policy spokesman, Karl Jhortnaes, to have the introductory discussion in the large Folketing committee and not in the special eleven-man committee between the Social Democratic and the governing parties, as Defense Minister Hans Engell (Conservative Party) had wished.

"We will use it to raise our information level on defense conditions so that we know what the pieces are that we have to play with," Karl Hjortnaes said to BERLINGSKE TIDENDE.

Defense Minister Hans Engell pointed out that the government had wanted a debate in the eleven-man committee but said that "increased information on defense can only support the government's views."

"I definitely have the greatest doubts that the Socialist People's Party and the Socialist Left Party, both of which are against NATO membership, will cooperate constructively. I expect the Socialist People's Party and the Socialist Left Party to completely sabotage the work," Engell said.

"I hope it will be a positive contribution, but it is a little strange that NATO opponents take part, the Liberal Party's Peder Sonderby said.

"This suits us very well. Now we can debate the matter, and we will skin the government's proposal alive," the Socialist People's Party's Jens Thoft said.

The Social Democratic proposal for a round of visits for the Defense Committee includes an orientation at a fleet station, an airbase -- probably Skrydstrup, an artillery regiment, an infantry regiment, a telegraph regiment, and the Army's combat school.

At extraordinary meetings in June, August, and September the Defense Committee will go through a series of subjects and will probably call the defense minister into consultation several times.



## HOME GUARD COMMANDER: SMALLER FORCE BUT MORE EFFECTIVE

Copenhagen BERLINGSKE TIDENDE in Danish 27 Apr 87 p 7

[Article by Nils Eric Boesgaard: "Home Guard Smaller and Better"]

[Text] "The old homeguardsmen with roots in the resistance movement are about to die out, and at the same time one has become more selective in the acceptance of new members. These are some of the most essential reasons why the number of homeguardsmen has been falling in recent years," the commander of the Home Guard, Major General Rud Gottlieb, said.

"The Home Guard peaked in strength in 1983 when we were up to a good 77,000 men and women. Today the figure is a good 74,000," the general added.

"We have no statistics to establish the reason for this declining tendency, but it may be caused by several factors. The 30,000 who reported in the first years and who still remember 9 April and the occupation are thinning out -- and at the opposite end the low-volume years are coming into effect, even if we get many of the young people who are not called in to perform military service.

"Membership figures have oscillated in the almost 40 years the Home Guard has existed. A series of high points have had a direct relationship to the foreign policy crises surrounding Berlin, Hungary, Cuba, and Czechoslovakia, but it is not so clear that we have been able to map it. We also know that how one treats the other defense forces is significant.

"There are also several practical reasons for the decline in the strength numbers. We all know that violence and crime in society in recent years have climbed steadily," Gottlieb continued. "If one considers that the Home Guard has a large part of its 75,000 weapons stored in private homes, it is clear that we cannot avoid being involved in this rise.

## Sorting

"This has meant that we have had to seek greater suitability. At the same time we have tightened up acceptance requirements so that we will be sure that we will not accept people who have physical handicaps and who cannot take responsibility for weapons and ammunition. Therefore we demand that people must

meet for a conversation with the company commander before they are permitted to send in their applications. Partly to make them aware of what we expect of them and partly to find out what they expect of the Home Guard.

"In this way we have already done some sorting, because the conversation often shows that the applicant is not suited to be a homeguardsman. Some are therefore sorted out in this way, while previously it always happened that some newly accepted members drifted out again after a short while.

"We also recognized that there were some persons in the oldest end of the system who gradually had become inactive, who never showed up, and who did not mean much for the organization.

"The latter is very important, because even if people are up in years and do not come every time, they can still be important. They can well have a task," the general said.

"We have thrown some people out for reasons of age. In answer to the question, 'Why do you never come?' we have seen that people, even if they have always had all their equipment at home, have answered, 'But I tell you I am still a member!'

"We have also become much stricter against every offence against weapons regulations. The smallest violation means goodbye to those concerned," General Gottlieb said, and concluded, "If I am to draw a conclusion from the declining strength figures, it must be that we today have a somewhat smaller but a more solid Home Guard."

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## FRIGATE BUILDERS STRUGGLE TO RETAIN COMPETITIVE EDGE

Bonn WEHRTECHNIK in German Mar 87 pp 51-53

[Article by Karl-Otto Sadler: "The Economic Factor of Naval Construction;" first paragraph is WEHRTECHNIK introduction]

[Text] The development and construction of naval vessels for German and foreign navies is an important factor for the German shipbuilding industry because the "know-how" thereby gained and developed can also be applied to construction of civilian ships. Karl-Otto Sadler--graduate engineer and authorized signatory for the Blohm + Voss company where he is responsible for weapon and electronic systems and where he developed the MEKO (Marine Einheit Komponenten (naval unit components)) concept--lectured at the Muerwick naval school on the importance of naval shipbuilding to Germany.

Naval construction is important to German shipyards for economic reasons relating to interest payments on committed capital and its role as required collateral and is, therefore, of great entrepreneurial significance. Naval construction is needed to maintain and utilize the strategically important capability in this field and serves as a tie rod for naval personnel cadre and for the corporate management of participating companies.

Aside from naval construction for the Bundesmarine [Federal Navy], naval construction exports are also needed to assure continuous utilization of the core of naval architects and the requisite system integration capability for weapon and electronic systems. Bundeswehr contracts (for new construction and repairs) alone are, unfortunately, unable to meet this need. The continuous utilization of navy-specific specialized capabilities is also important because a naval vessel is a complex, integrated weapon system. In the case of a naval vessel, the useful load--the diverse weapon and electronic systems--must be integrated by the shipyard, as general contractor, into functioning, operational weapon system--"the ship"--when it assumes overall responsibility for costs, deadlines, and performance specifications. Such system integration calls for the very best system technology and is comparable to the system technology of such weapon systems as TORNADO or LEOPARD 2; the process is also very personnel-intensive.

System technology for naval construction needs highly qualified support personnel with necessary "know-how" which is very expensive and which the

shipyards can only maintain by continuous employment/utilization. Such skilled personnel is a prerequisite for satisfying client demands for high quality and for meeting contractually fixed prices, delivery dates and performance specifications.

#### Significance Of the Export Market

Marketing of naval vessels for export is very difficult for several reasons:

--An export license is required;

--Financing with favorable interest rates (if necessary "Hermes" collateral) is almost always needed;

--A shipyard with a limited capital cover of its own, acting as general contractor, must provide corporate guarantees;

--Demands for barter arrangements are becoming increasingly frequent;

--The shipyard, as general contractor, almost always needs some joint corporate backing to handle large orders and varying degrees of country-related risks.

#### A Proven MEKO Concept

Between 1977 and 1986 Blohm + Voss built a total of 12 frigates and 6 corvettes in accordance with the MEKO/FES [Marine Einheit Komponenten/Funktions-Einheiten System (Naval Unit Components/Modular System)] system concept or has accepted orders for their construction. They are:

- 1 multipurpose frigate for Nigeria;
- 4 frigates for Argentina;
- 6 corvettes for Argentina;
- 4 multipurpose frigates for Turkey;
- 3 multipurpose frigates for Portugal.

In the course of these orders, 377 modules (functional units) were built for weapon and electronic systems and standard interfaces were tested under onboard conditions:

--76 weapon modules (76 mm OTO Melara, 40 mm Creusot-Loire, 127 mm OTO Melara, 5-inch Mk-45 Mod. 1, ALBATROS launcher, SEA SPARROW launcher);

--178 electronic communication modules, radar position finders (AWS-5, DA-08, DA-05), fire control (WM-22, WM-25 STIR), sonar (DSQS-21BZ, ASO-4) and missile launch systems (MM-38/40 and OTOMAT);

--123 of a variety of position-finding and fire control system modules for the listed weapons.

A 1984 agreement with the U.S. Navy assures mechanical interface compatibility of weapon modules (SSES).

However, when naval vessels are exported, the foreign navy also needs help from the Bundesmarine, during the bidding as well as the construction phase, in the form of technical advice and logistic support (training, joint use of navy training sites and firing ranges, etc.). Such Bundesmarine assistance is not only an important factor for German shipyards and their subcontractors but is, as it were, a prerequisite for a German naval shipbuilding export industry.

The export market is highly competitive since the demand for naval vessels is small and since Italy, Great Britain, France, the Netherlands, and now also the United States, are strong competitors with regard to technology and price. To survive in the world market place against such strong competition, German industry must continue to rationalize and to develop new "technologies" in order to improve quality, reduce construction times, minimize system integration risks and fully satisfy client requirements--and all this while keeping system costs supportable and affordable.

German industry cannot afford to simply wait for development contracts from governmental agencies but must be innovative and creative with its own resources and have its own incentives to offer state of the art technology that is economically competitive. This also means, however, that the Bundesmarine has an obligation to consider the competitive aspects of industry-financed development in contrast to development that is publicly financed. Such industry must be given a fair chance.

#### The Role of Subcontractors

The economic factor of naval construction could be even more important to German industry if it had a larger share in supplying equipment, i.e. weapon, electronic and communication systems, than has so far been the case for export orders.

#### A Frigate's Value to a Shipyard

--management, coordination	
--construction, production	
--onboard assembly, testing and experiments	about 1.5 million hours
shipyard capacity per year	about 1.0 million hours
output per man-year	= 1,600 hours without overtime
1 frigate	= 937 man-years
shipyard utilization	= 310 men for 3 years



In 1977 Blohm + Voss alone let subcontracts for almost DM2 billion as part of its export business; only 35 percent of these were awarded to companies in the Federal Republic of Germany. The remainder, worth about DM1.25 billion went to the following European subcontractors:

- The Netherlands, 40 percent (Signaal Company);
- Italy, 30 percent (Breda, OTO Melara, Selenia);
- Great Britain, 12 percent (Rolls-Royce, Plessey);
- Switzerland, 10 percent (Contraves, Siemens-Allbis);
- France, 8 percent (Aerospatiale).

#### Trends

In the naval construction export market there is a tendency for navies to require the use of proven hardware for the drive unit and for weapon and electronic systems. This means that for different clients one ship model must be offered but integrated with different hardware configurations on the basis of a standardized ship platform. A shipyard acting as general contractor, when it assumes full responsibility for the program and its delivery as a functioning unit, must integrate different technologies from different countries and companies into a ship that is a functional and operationally-ready weapon system.

It is furthermore apparent that technological progress, particularly in the sensor and weapons area, is very rapid and not only for our own armament industry but for that of the opponent as well. As a result the mission, and consequently the equipment, of the ship as a weapon system can and will change several times over its life span of more than 30 years.

These requirements and insights have, for instance, influenced Blohm + Voss to begin developing the MEKO/FES design concept at its own expense, but with a strong assist from the Federal Ministry of Defense and the Federal Agency for Military Technology and Procurement, as early as 1969. In this concept the ship is a standardized platform that can be variously equipped with:

- drive systems from different manufacturers (CODOG, CODAG, COGAG or CODAD) and
- weapon and electronic systems as modules with standardized dimensions, standardized interfaces (water, electric current, infocable) and standardized support bases.

The standard MEKO platform permits the following:

- To provide mechanically and functional integration, state of the art equipment and systems without time consuming and expensive modifications--either to the ship's structure or to remaining functional sequences--during the 35 to 40-year life of the platform and thus to adapt the ship as a weapon system to the quantitatively and qualitatively changing threat as well as to our own technological advances.
- To offer a client a choice of several hardware configurations without incurring technical risks and without increasing the cost of the platform.

## Conclusions

Competition for the export of naval construction is strong and only those shipyards (general contractors) which are constantly innovative and creative have a real chance of arousing interest in the market place.

I am convinced that the MEKO concept was the right way to proceed in treating a "ship as a standardized platform" because:

- of the consistent use of the modular concept in the construction of naval vessels;

- of developing and testing a standardized network structure, including a standardized data interface computer (MICE);

- of the compatibility of the MEKO modular (functional unit) concept with the SSES weapon modules of the U.S. Navy with regard to mechanical interfaces with the ship; and because

- of improvements to increase stability.

This system concept also fulfills Bundesmarine requirements at reasonable cost. Thus wrote Rear Admiral Gerhard Bing, chief of the "armament" department of the Navy command staff: "With regard to weapon systems we continue our efforts to develop modular constructions with corresponding standardization of interfaces to increase equipment flexibility and to prolong the useful life of weapon platforms."

I view the future optimistically despite many problems and strong competition in the naval shipbuilding market.

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## TROOPS BEGIN TRAINING WITH NEW T-72 TANKS

Helsinki HELSINGIN SANOMAT in Finnish 1 Apr 87 p 13

[Article by Martti Heikkila and Ilmo Kekkonen: "Hautamaki's Tanks Fire, New T-72 Tank Personnel Came from South Home to Hone Skills in Lapland"]

[Text] As a battalion commander, Tank Lieutenant Colonel Jussi Hautamaki is an exception in the Finnish Army -- he does not complain about the shortage of equipment, the shortage of officers, and the poor condition of recruits. He has new tanks, enough personnel, and South Home men as recruits, of whom the majority has expressly wanted to serve in the tank units.

He has one hope: a couple additional months for training so that recruits would learn to use the Army's strike forces, its combat tanks, to full capacity and efficiency.

Battalion Commander Hautamaki also differs from many of his Finnish colleagues in one important way, he is an officer with war experience. As a souvenir of his Near East peace-keeping trip he has on his office desk a bomb fragment, which as a red hot missile burned the then captain's cheek. The war was real, two men were killed near UN Captain Jussi Hautamaki. From his box seat he saw the destruction of more than 100 aircraft in aerial combat.

#### Skills to the Test in Lapland's Open Spaces

On a foggy March day Lieutenant Colonel Jussi Hautamaki's box seat is located on a hillside near Rovaniemi. He is looking through binoculars to see how his battalion tanks are destroying targets dimly visible beside the mountain. The recruits, who joined the service in July, are now receiving the climax of their training. Live ammunition is slammed into the barrels of the tank's cannons.

The officer candidates are faced with a great responsibility. They are directing a tank unit, three tanks. They have state property worth millions of markkas under their command. One of the candidates is Tomi Helpio, 20 years old. Tomi's goals have been realized so far: the Army's highest possible level of training, and in civilian life a position awaits him in the mechanical engineering section of a technical college.

## Camp Conducts Long Days

The tank camp awakens early in the morning, daylight is spent on firing, and the day does not come to an end until late at night when the tank personnel have serviced their vehicles. And so that time would not become long on their hands, training is conducted in the dark also.

The Toyota terrain vehicle, with a registration number 487, is on the move from morning until night. Lieutenant Colonel Hautamaki himself is frequently behind the wheel; let the driver rest a while, he spends plenty of time at the wheel. 487 is known in every quarter of the camp area. When it comes in the vicinity, the recruits know that they can expect a break for a short chat.

The tone of the chat is genial. The lieutenant colonel does not impose himself on anyone, only when it appears that it is a question of a command coming from the voice of a commander. The impression is that these young men will follow their commander anywhere.

The armored tank battalion's new, Soviet T-72 tanks have been in use a couple of years. One age group of recruits has already received training, and a second T-72 unit is now polishing its skills at a shooting range in Lapland. Tank movements have been polished and practice rounds have been shot at the Niinisalo Camp. Live rounds are used at the Rovajärvi Firing Range.

## Accuracy First

At first the tanks fire in place, aim carefully, and a cavity grenade punches a hole in the target, which lies at a distance of 1 kilometer. The same procedure is repeated on the ridge of a 1,600-meter hill, and after that, while moving on the edge of a bog 800 meters away. The main thing now is to score a direct hit. The tank personnel must be aware that the guns will hit the target precisely if everything is done correctly. No attention is yet given to speed.

Next the same firing procedure, but now the clock is running. One must be faster than the opponent's armored tank, which depicted by a black plastic structure is hardly visible in the middle of a snow flurry. A hit. The fragment grenade explodes on the hillside and penetrates the plastic film of the target.

When the stationary armored tank targets have been perforated, the task becomes more difficult. Moving targets travelling on a track move, change their speed, disappear from view from time to time, and then reappear. The requirement is still the same: quickly, but accurately. The enemy tank must be destroyed.

## Disperse and Concentrate

The tanks must be able to enter combat as a group. An armored tank company must be able to either disperse its fire power or concentrate it on a more

dangerous subject in accordance with the situation. This was taught at the firing range on Tuesday in a cooperative exercise.

A single tank company is alone and ineffective in combat regardless of its fire power. It requires indirect fire for support, with guns or grenade launchers, protective mines, tank infantrymen, and, above all, air power protection.

On Tuesday, the units of the Tank Brigade delayed the enemy with a force of 700 men. The opponent's enthusiastic attack failed when the brigade's troops, with tanks in the lead, showed their strength.

Candidate Tomi Helpio's tank platoon fired a total of 20 rounds in the 2-hour skirmish, and his superior characterized the performance as "exceptionally good". Jussi Hautamaki, who directed the exercise, said the following of the troops at the camp: "I would not trade one single man."

The 23-millimeter cannons of the anti-aircraft platoon drove back the flying targets farther away, but, otherwise, air protection was noticeably weak; the eye searched for target interceptor missiles, but none could be seen. Of course not since Finland has not yet procured any of them.

#### Tanks Repel Enemy Tanks

An armored combat tank -- if anything -- is a war machine with which one can mount an attack. At the point of advancing troops rolls a spearhead of armored tanks, which will break open an opening for the infantry in the enemy defense. In former times, armored tanks were called assault tanks, men who have been to war still tend to talk of them as assault tanks.

For what reason does the Finnish Army need tanks, assault vehicles? Are they not just equipment belonging to an assault force?

Armored Tank Battalion Commander, Lieutenant Jussi Hautamaki, explains the need and use of tanks: "Finnish terrain favors the defender, dense forest areas are poison for the mechanized army of a superpower. But we also have open areas, which are suitable for an attack by tanks. In addition to missiles, a combat tank is the best anti-tank weapon. Therefore, they are needed even in Finland."

Hautamaki talks about the credibility of national defense: it is not sufficient that there is a will to defend, there must also be a defense capability so that the army could act preventively. The Tank Brigade's new T-72 tanks are very representative of our defense capability.

The T-72 tanks, which are acclaimed even internationally, are modern, the interior is filled with electronic, laser, and infrared equipment. Previously, the tank's gun loader did manual work by pushing the cartridge into the bore by physical force. Now the same job is accomplished by an automatic loader, which the gunner manages as a side job by means of a keyboard reminiscent of the panel in the cockpit of an aircraft.



A gun loader is no longer needed.

The tanks have not changed very much on the exterior. They are the same kind of behemoths except that the new ones are a little more streamlined looking than the previous T-55s and T-54s, the Nikitas.

The new technology of the new tanks requires better trained personnel; in many countries years of training is required before a person is considered combat ready.

In Finland tank personnel receive 11 months of training. With this training the tanks move and fire, but troop actions are still in need of refinement. Battalion movements are now taught only at refresher exercises since there is not sufficient time in the regular training of recruits.

The personnel trained on older tanks are mutually interchangeable, the gunner also knows how to drive and load, and so on. "The T-72 men must be more specialized than before, and the interchangeability of functions suffers. Indeed, the gunner can now get a tank to move, but with the present amount of training he is still not a good driver," says Lieutenant Colonel Jussi Hautamaki.

#### Exercises Are Conducted Where Combat Would Also Occur

Know-how is measured at the Rovajarvi Camp. At the very beginning already, the actions of the combat tanks were flexible and fire was accurate. From this, one could conclude that the objectives look promising. It was also apparent that an important motivation was retained. This was confirmed by repeated shouts of joy when the tank personnel of one's own platoon struck a target.

In Tuesday's combat firing it was also seen that other units of the Tank Brigade, infantry, engineering, field artillery, grenade launcher, and anti-aircraft platoons were capable of an accurate and rapid performance. The concentrated fire power of the reinforced tank company was convincing.

The Finnish soldier is trained on terrain under those very conditions in which he would have to operate in a real combat situation. In addition to open areas in the south, tank troops train in Lapland, and at all times of the year.

Is a 40-ton combat tank the right weapon for conditions in Lapland? In spite of the development of a road network, trails suitable for tanks are few, even if there are any passable morainic moors. In open spaces the tanks make especially susceptible targets for enemy aircraft. Tank unit operations in Lapland must be prepared with greater precision than usual.

The speed, mobility, protection, and effective arming of tank troops can be utilized especially in the defense of key areas and in rapid counterstrikes. The long range of tank artillery is to one's advantage particularly in logged off areas of Lapland.

The problems and advantages of the use of tank troops are also the same in the operations of a possible invader.

The circuit from Parolannummi to Niinisalo and from there to Lapland, which is a part of training of Finnish tank troops, is time-consuming and expensive. It is, however, the only way to obtain tank personnel who are sufficiently well trained in the latest equipment for the reserves.

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## SISU CROSS-COUNTRY VEHICLE SEEN SUPERIOR TO SWEDISH MODEL

Helsinki HELSINGIN SANOMAT in Finnish 11 Mar 87 p 11

[Article: "Cross-Country Vehicles in Competition in Lieksa"]

[Text] Lieksa--The domestic Sisu cross-country vehicle is appearing for the first time in public terrain qualification tests with its toughest competitor, the Swedish Bandvagn, in Lieksa. The goal is the sale of hundreds of vehicles to the Defense Forces and for export.

The Sisu-Auto Company's test program with the Defense Forces will continue throughout this winter. The company is expecting a procurement decision in the summer. The first cross-country vehicles have turned out to be good with respect to their properties and they have negotiated the snows of Lapland without any difficulties.

According to company representatives, it is now only a question of minor adjustments to meet the operational requirements of the Defence Forces.

The Defense Forces have a test series of 10 vehicles in use in Sodankyla and Kajaani. One vehicle is in Niinisalo on its way to the Golan Heights for use by UN troops.

Several dozen Bandvagns have been ordered for the Defense Forces. The Swedes have sold their own vehicles to the armies of England, the United States, and Norway.

The Finland-Sweden match of chain driven cross-country vehicles still remained unresolved on Tuesday at the beginning of the 2-day cross-country vehicle event in the near-by terrain of the Lieksa Wilderness Travel Center. There was so little snow that it did not hinder the vehicles. Climbing ability was measured in the near-by hills, and the Sisu prototype seemed to do better than the civilian Bandvagn.

## Light Masi Aroused Astonishment

The light Masi, a transport vehicle developed for the use of the infantry, aroused the most attention and amazement among the spectators. It made its way through a plowed logged off area heedless of the obstacles. The performance of the 4-wheel drive Masi in climbing a hill even got Bandvagn's Swedish personnel to applaud. The vehicle did not come to a stop until a tree branch penetrated the side of the tire.

Less than 10 light Masis have been made so far. There is no civilian version of it yet, but it is exceptionally suitable as a terrain vehicle for transporting fire and rescue equipment if it is outfitted with a suitable container deck in the same manner as the larger Masi.

The Sisu cross-country vehicle, which is the same in basic structure and outwardly similar to its Swedish competitor, differs, however, from the Bandvagn in its power transmission and hauling apparatus.

The power source is a 190-horsepower V-8 gas engine. On the highway traveling on a rubber track, the vehicle can reach a speed of 65 kilometers per hour and transport 17 passengers or 2,000 kilos of cargo. It can also negotiate swampy terrain and is capable of floating with a full load.

The civilian use of this cross-country vehicle is still a dream since the price of the vehicle will be around 600,000 markkas. Less expensive alternatives will have to be found for the procurement of rescue equipment.

According to sales director Jukka Hamalainen, Sisu is not hoping for more than just a few orders from fire departments. Any vehicle among the terrain vehicles can be equipped with fire and rescue equipment.

The Lieksa cross-country vehicle event was planned as a presentation for the Defense Forces and state and municipal officials as well as for users of cross-country vehicles, in general. The purpose is to compare the properties of various vehicles under actual conditions as a basis for a procurement decision.

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## NOKIA TO DELIVER NEW AIR RAID WARNING SYSTEM FOR HELSINKI

Helsinki HELSINGIN SANOMAT in Finnish 21 Mar 87 p 12

[Article: "Nokia Equipment for Helsinki Regional Air Raid Warning Center"]

[Text] Nokia will deliver new equipment to the Helsinki Regional Air Raid Warning Center.

The regional air raid warning center's joint board and Nokia Data Transfer have signed a contract for transactions worth more than 40 million markkas.

It is thought that the installation work will be completed in the middle of the 1990s.

The Helsinki Regional Air Raid Warning Center is responsible for the basic security of more than a million people. The center operates as a general emergency center for the Helsinki area, which includes the municipalities of Espoo, Helsinki, Kauniais, Kirkkonummi, Sipoo, Siuntio, and Vantaa.

Annually, 5,800 calls are made in the area for fire and rescue services and approximately 70,000 for ambulance services. The annual combined amount of services is almost a quarter of a million.

The delivery of the control system for the center is an important opportunity for Nokia. The new unit will be comprised primarily of wired and wireless communications equipment as well as a data processing system.

The wired communications network will be made up of Nokia's digital DIXI equipment and wireless Nokia-Mobira radios.

Data will be processed by a Stratus computer, which has a high tolerance for defects.

After it is expanded, the regional air raid warning center can operate in exceptional situations as a control center for Uusimaa Province or the whole country.

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## BRIEFS

MAIN WAR EXERCISES SCHEDULED--Tuisku 88, the primary war exercises of the Defense Forces, will take place in April of next year in Central Lapland in the area of Rovaniemi, Kittila, and Sodankyla. The exercise will be directed by the Northern Finland Military District. In addition to troops of the Northern Finland Military District, units from other military districts, the air force, and the border guard will also participate in the exercise. Primary war exercises of the Defense Forces are conducted every other year. The location changes. Such exercises were held the last time in January of last year in South Hame. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 19 Mar 87 p 15]

TURRET GUNS ORDERED DOMESTICALLY--The Defense Ministry is procuring enough new 130-mm turret guns for the Defense Forces to supply one battery. The guns are being ordered from the Tampella Company. The procurement does not include the fire tubes, which were procured separately. The procurement is a continuation of the series procurement plan for heavy turret guns approved by the Council of State in 1981. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 26 Mar 87 p 11]

## LATEST ISSUE OF MILITARY BALANCE: USSR STRENGTHENING ON KOLA

## Larger Maneuvers Off Norway

Oslo AFTENPOSTEN in Norwegian 5 May 87 p 24

[Article by Olav Trygge Strovik: "Soviet Offensive Capability in North Steadily Increasing"]

[Text] The Soviet Union is constantly expanding its military capability to carry out advanced offensive operations against the whole Northern area and particularly against Norway. Last year the Kola area received completely new weapons, while at the same time there is continual quality improvement in all weapons systems. Ability to carry out complicated and coordinated attack operations has been improved, and is continually being drilled.

The above comes from the Norwegian edition of MILITARY BALANCE 86/87, which has just been published by the Norwegian Atlantic Ocean Committee.

Of the forces that will make up a spearhead in an attack against Norway, the 63rd Naval Infantry Brigade in Petsjenga is well equipped with offensive armored vehicles such as tanks (50) and armored assault vehicles (140). According to MILITARY BALANCE the brigade has also received in the course of the past year new, self-propelled artillery with "amphibious capability." This means that it can "swim" ashore during an attack against the Norwegian coast without being dependent upon a cumbersome unloading at a deepwater pier. In MILITARY BALANCE it is now confirmed for the first time that there are two brigades of naval infantry on Kola, not just one at Petsjenga as was previously assumed. The first indication of such a reevaluation on the Norwegian side came from a lecture by Major General Martin Vadset to the Oslo Military Union last year, but it has now been confirmed in an almost official publication.

## Maneuvers

Soviet naval maneuvers in the sea area off Norway have increased in size, extent, and complexity in recent years. In some years two or more exercises are carried out, and the increase has been almost in a straight line, with a peak for exercise "Okean 75." The most dramatic change was registered in July 1985 when "Summerex 85" was the largest naval and air exercise that ever has

been observed in the Norwegian area of interest. Soviet maneuvers in 1986 have been marked by a series of small exercises in the northern Norwegian Sea, MILITARY BALANCE says. The participation of air forces has been almost proportional to the number of warships, and it supports the tendency in the development. In summary it is certain that there has been a significant increase in combined operations within various tactical and strategic conditions.

#### Paratroop Strength

In MILITARY BALANCE it is also noted that in the Leningrad military district there is also a paratroop brigade and an airborne division, which, on the shortest notice, can be sent in with a strategic attack on Norway. Developments within the Soviet land forces are characterized above all by increased mobility and firepower. In the course of the past ten years helicopter squadrons have been established as integral parts of the motorized infantry divisions on Kola. Moreover a new unit is now being built up that may turn out to be the 6th Army's attack helicopter regiment, also on Kola.

The Soviet Air Force in the region has been strengthened by the introduction of advanced attack and interceptor fighters that can compare with the best Western aircraft. The MiG-31 and the SU-27 will, together with the Soviet Union's edition of an AWACS-comparable aircraft, "Mainstay 11-76," also improve its capability for far-reaching offensive operations. Such operations can be coordinated with both land and sea forces. According to the inspector general for the Norwegian Air Force, every target in Norway is within reach of Soviet attack aircraft.

On the other hand, MILITARY BALANCE still does not think that it is possible to bring forces together for a surprise attack on Norway, at any rate not on a meaningful level. Much has also been done on the Norwegian, Finnish, and Icelandic side to balance the military developments in the North. MILITARY BALANCE calculated that Norwegian Army forces in northern Norway can increase to more than six brigades just a week after mobilization. Moreover it is stressed that the plans for advanced storage of supplies and for allied reinforcements have come a long way.

#### Minister Downplays Threat

Oslo AFTENPOSTEN in Norwegian 5 May 87 p 5

[Article by Hans Chr. Erlandsen: "Holst: No Danger"]

[Text] "The Soviet Union does not have the capacity on Kola to attack key areas in northern Norway," Defense Minister Johan Jorgen Holst said in a lecture yesterday. "There is scarcely any immediate danger of a surprise attack," the defense minister said, as he pointed out that the Soviet Union has no permanently stationed fighter-bomber aircraft on Kola.

"In order to oppose the Soviet fleet's increased emphasis on advanced operations in the Norwegian Sea, we have a very clear interest in the presence of

American Navy here," Holst said at the conference that was arranged by "People and Defense." He could not set the numbers for the size of the presence that was necessary, but he indicated that an approximate equality was a prerequisite for mutual deterrence.

"It is important for us that the allied presence takes place within the framework of NATO," the defense minister said.

Concerning the forces on the Kola Peninsula he pointed out that over many years they have been considerably strengthened and modernized. In particular, the amphibious forces have become more offensive by the introduction of new materiel. Since 1982, landing exercises have been part of the usual pattern.

"Norway has tried to make sure that the time it takes to transport reinforcements from southern Norway to northern Norway and from allied countries does not exceed the time it takes to build up the forces on Kola," Holst said.

9124

CSO: 3639/52

## CLEAR POSITION WITHIN WESTERN EUROPE'S DEFENSE URGED

Lisbon DIARIO DE NOTICIAS in Portuguese 12 May 87 p 7

/Article by Virgilio de Carvalho/

/Text/ The uneasiness caused by the Zero Option might force Portugal to consider other options to preserve its vital territorial cohesion. This is one more reason why an urgent consensus is needed regarding our long-range national objectives among which those of a vital nature would best be made a part of the Constitution.

There are many in Western Europe who are wondering what the outcome of the current world situation will be. But few have any doubt that the West's adaptation to the new USSR might in perspective result in another kind of world balance, with repercussions on the Old Continent.

The New Development "War"

There are sectors which consider it high time that Western Europe cease to be the prime target of dispute between the superpowers. For example, there are Americans who are interested in having their European allies play a more active role in their autonomous defense and West Germans who are interested in inducing the Soviets to take a more favorable stand on Germany's reunification. What might really be happening is that the scientific-technological race caused by the Strategic Defense Initiative and the challenges of the Pacific (Japan's reality and China's intention of becoming more involved) might be leading the superpowers to re-evaluate and rearrange the order of their options. If this is the case, scientific-technological development might become the number one priority. And the United States and USSR might opt to maintain the status quo--a status quo which is dividing Europe and which the two superpowers will not dare to change at this time; however, they would maintain that state of affairs at lower levels--levels which are less risky and less costly in terms of dissuasion--their objective being to economize their efforts and the resources which they need for the "development war" with Japan, China and Western Europe. But this does not mean that Western Europe should cease to represent what it has been representing with regard to the world geopolitical balance, since a severance of its ties with the United States would unbalance the world in favor of the East. That is why a reduction in tension on the European front does not mean the end of the struggle of the superpowers for influence in areas outside



the geographical realm of NATO on which Western Europe's freedom of action depends; this appears to be substantiated by Moscow's recent reaffirmation of support for some of Africa's Front Line countries.

#### Denuclearization of Europe

The Western Europeans do not forget that conventional dissuasion did not work in 1914 and 1939 and that nuclear weapons were the result. They are aware of the freedom of action and negotiating power which nuclear armaments provide. And they do not forget that nuclear weaponry is cheaper than conventional methods and that the Russians could invade Western Europe in peak fashion due to its proximity and the rapidity of decision of its totalitarian regime, while the Americans are on the other side of the Atlantic and somewhat restrained by the "scruples" of their democratic regime. That is why France and England, both nuclear powers, perturbed by the Germans, Russians and Americans, had decided to reactivate the European defense forum--the Western European Union (WEU)--and appear to be inclined to say no to the denuclearization of Europe and even develop their own capability of autonomous nuclear dissuasion with possible recourse to neutron bombs and cruise missiles (capable of being fired from land, submarine or plane), in case the American euromissiles are withdrawn from Europe.

#### WEU Without Portugal

Thus, it appears that the Western Europeans might be considering their own defense more seriously than ever, but within the WEU, a forum obviously designed to include France which withdrew from NATO's military structure and exclude the United States while, at the same time, attempting to integrate Germany in the defense of the West, one of WEU's intentions since its inception.

But the WEU does not represent Europe as a whole, since, as is known, it does not accept Portugal, Greece and Spain, all members of the EC and NATO. At this crucial moment the WEU is not interested in members which, due to their own particular problems, might make it difficult to reach the urgent consensus so badly needed--problems such as those of the Greeks and Turks and Gibraltar. So once more, Portugal is suffering discrimination by being dragged along with others. And this seems to support the hypothesis that Portugal should maintain its Euro-Atlantic geopolitical position without hesitation and not join forces with Iberian blocs or "movements" of the south against northern Europe.

#### Portugal's Interests

Portugal needs to take a very clear national position with regard to the defense of Western Europe, one of interest which it can respect. This is because the options contemplated by the WEU will not fail to consider Portugal's geostrategic importance to Western Europe's collective security, as happened in the 1939-45 war in which the United States and England decided to occupy the coasts of the Azores under pretext of wanting to be ahead of the Germans. Portugal is a country of the West, strongly united with it both in values and geography.

And it is not to Portugal's advantage to take a Western European position which would be equidistant from the United States and the USSR. There are two reasons for this: First, it would divide the West, possibly resulting in an imbalance of the world in favor of the East; second, a Euro-American severance of ties would risk weakening the solidarity and cohesion of Portugal's divided territory. This, as is known, is because Portugal's Euro-Atlantic possessions are located in areas declared to be of strategic interest to the United States and Western Europe as illustrated by the fact that the Azores are in the area of the American operational command, NATO WESTLANT, separated from Madeira and the continent which are in the area of the Portuguese IBERLANT. Moreover, it does not behoove Portugal to adopt options in the defense of Europe which would consider the Iberian peninsula, the archipelago of the Azores, Madeira and the Canary Islands as a geographical whole and, for this reason, to take unnecessary steps which would discredit the country's geopolitical individuality achieved over the centuries by its Iberian coastline combined with its geopolitical and humanitarian integration with Madeira and the Azores. The philosophy which Portugal should follow with regard to the autonomous defense of Western Europe should, in short, be the following: There are two different types of problems, one being that of its defense against threats from the East (the main one) and that of its autonomy with regard to the United States, which it is just barely maintaining; Western Europe's area of safety (as, moreover, that of the United States) is the Euro-American area and not just the diminutive Western European area; the autonomous defense of Western Europe should be viewed as an element of balance in Euro-American defense (to give Western Europe a greater voice in NATO and more coherence and credibility in that organization) and also as a positive step in the promotion of European solidarity; and the defense of Western Europe cannot serve as a pretext for its allies to dispose of Portuguese territory against Portugal's vital interests.

#### Portugal's Concerns

The uneasiness caused by the Zero Option in Euro-American defense relations might force Portugal to consider other options to preserve its vital interterritorial cohesion. This is one more reason why an urgent consensus is needed regarding our long-range national objectives among which those of a vital nature would best be made a part of the Constitution, so that we might be in better position to know what we want or do not want or cannot agree to and so that the world can count on Portugal but not take undue advantage of our country. It would also help very much if the country could have its own autonomous military defense sufficient to preserve its sovereignty and make its geostrategic importance a factor of strength and not a source of concern for its safety.

Meanwhile, it is to be hoped that the Atlantic Alliance will be able to overcome one more serious crisis in its existence.

8568

CSO: 3542/99

## BRIEFS

CSSR MACHINERY PURCHASE--An agreement was signed last Saturday between the Drapia Mining Company, Nicosia, and the Pragoinvest Czechoslovak Organization of the purchase by Drapia of a complete bentonite processing factory, with a production capacity of 38,000 tons a year. [Text] [Nicosia CYPRUS MAIL in English 30 May 87 p 3 NC] /12624

CSO: 3554/252

## PRESIDENTS OF PRIVATE, CENTRAL BANKS ASSESS ECONOMIC TRENDS

## Advances In Fishing Industry

Godthaab GRØNLANDSPOSTEN in Danish 15 Apr 87 p 6

[Text] "We are gratified that the politicians have now started discussing tax reliefs for interest earnings in Greenland," says Peder Elkjær, president of Nuna Bank.

Last year the lendings of Nuna Bank exceeded its deposits. It was the first time in the history of the bank that this happened. And this applies both to the time as well as to Nuna Bank and Bikuben. This trend underlines the enormous economic development in this country, but it also is an indication of the need to encourage savings.

It was Peder Elkjær of Nuna Bank who, at the statutory general meeting of the Bank, proposed the introduction of tax reliefs for incomes from interest on deposits in the banks of Greenland. Hans Pavia Rosing, Greenland minister, has announced that they are already working on this idea, and Peder Elkjær gave expression to his gratification in this respect when making his report to the general meeting of the bank.

The general meeting took place in the Godthåb Hall on Tuesday, 7 April.

On tax reliefs for interest earned on deposits in Greenland banks--popularly referred to as the Færø arrangement--Peder Ekjær stated:

"The need for such an arrangement has proved to exist. It is important to retain and develop a well-functioning banking system in this country, which will enable us to maintain Greenland savings and channel these savings to finance large-scale investments still needed within the private and public sectors."

## Favorable Development

Peder Elkjær touched upon the Greenland business sector and, in this conjunction, dwelt on developments within the fishing industry. He said:

"The fishing industry and, in particular, the shrimp fishing sector, experienced favorable economic conditions in 1986.

The value of the catches of the fishing fleet reached record-high levels, and export prices were high, especially during the latter half of the year. Our many customers within the fishing industry therefore have had satisfactory economic results.

The favorable development within the fishing industry has continued with large-scale investments in new vessels, also with a view to new fishing opportunities. This has created the basis for investments in processing plants and in marketing and thus in new jobs on land, which are badly needed.

We expect and believe that this favorable development within the fishing industry, which is a key industry of the Greenland economy, will continue in the coming years as well."

#### Foreign Investments Needed

Godthåb GRØNLANDSPOSTEN in Danish 17 Apr 87 p 7

[Text] The expansion of the public sector and the investments within the housing sector seem to be based on the desire to create a Greenland welfare state rather than actual economic policy control. The large-scale investments within the public sector, moreover, have caused prices to increase, especially within the building sector. These were the words of the president of the Bank of Greenland, Eli Therkildsen, at the general meeting of the Bank of Greenland, on Wednesday, 8 April, in the Godthåb Hall. His further comments were along the same lines:

He said, among other things:

"The political objectives of increased employment and increased real incomes have been partly fulfilled, but the cost has been a steadily increasing trade deficit. To ensure a continued increase in the employment rate and the prosperity of the country, we therefore have to increase our level of production and maintain our competitiveness. In my opinion, this may be best achieved by way of a well-planned structural policy, aiming at education with a view to the future, the processing of raw materials, product development and export promotion."

#### Economic Equilibrium Necessary

The banks in Greenland apparently agree that the society ought to reward savings. For example, by way of tax exemption for interest earned on deposits in Greenland banks.

Eli Therkildsen said on this subject, among other things:

"The Bank of Greenland has on several occasions stated that, in the long view, it will be necessary to achieve economic equilibrium. The large-scale



investments over the past years and the even larger investments planned by the public sector for the next few years are not counteracted by correspondingly high savings rates.

Greenland will therefore have to resort to the Danish or other lending markets before long in order to provide financing for its continued investments. I would like to point out once more that a balanced economy is achieved by way of larger savings--both in the private and public sectors. But to increase the rate of private savings, the population will have to become motivated. Savings will have to be made attractive, for example by way of tax reliefs for deposits on income tax returns or lower tax rates for interest earnings on savings deposits made in Greenland.

One may furthermore consider introducing special housing and pension savings schemes, Eli Therkildsen said.

#### Building New Dormitory

The Bank of Greenland will soon complete the large building program, which was started in 1985, and which comprised branch offices as well as housing facilities on the coast and in Nuuk.

In about 1 month, a new branch office will open in Nuussuaq, and the next project will be a new dormitory in Nuuk.

"Educational programs with a view to the future are of great importance for the development of the economy, and the Bank of Greenland spends nearly 10 percent or approximately 2.5 million kroner annually on education.

To give our young people even better conditions during the initial, important years of their education, we have decided to build a dormitory in Nuuk," Eli Therkildsen went on to say.

The dormitory will be located south of Julemærkekollegiet [the Christmas Seal Dormitory], and it will be called Appakollegiet [the Appa Dormitory]. It is scheduled to be built in the course of the next year and will have twelve rooms.

The Bank of Greenland has continually 15-20 apprentices, and Eli Therkildsen recommended young people to seriously consider education within the banking sector when choosing careers.

7262

CSO: 3613/85

## DENMARK, GREENLAND ESTABLISH PANEL TO STUDY MINERAL RIGHTS

Godthaab GRONLANDSPOSTEN in Danish 1 Apr 87 p 17

[Unattributed article: "Political Thaw Between Greenland and Denmark"; first paragraph is GRONLANDSPOSTEN introduction]

[Text] An official government committee consisting of representatives of the Greenland government, the Greenland Affairs Ministry and the Finance Ministry will study the principle of dividing revenues derived from mineral extraction. The committee's report will be presented to the parliaments of Denmark and Greenland in the fall.

"A political thaw between Greenland and Denmark is under way. Greenland Affairs Minister Tom Hoyem and I have agreed that the plan that was worked out by the minister and the Raw Materials Administration with reference to the principle of revenue division should be discussed by an official committee. As you know the Greenland affairs minister and I constitute a kind of minicommittee on the matter in relation to our two governments.

"The committee will be made up of representatives of the government of Greenland, the Greenland Affairs Ministry and the Finance Ministry. The committee's mandate will be worked out over the next few days so that it can meet as soon as possible," Jonathan Motzfeldt, chairman of the government of Greenland, said at a press conference.

## Exciting Development

"Thus a very exciting development is under way between Greenland and Denmark. If we can find a solution to this problem we will also settle one of the most ticklish questions in recent years involving Greenland and Denmark," added the government leader, who continued:

"I do not expect the matter to be resolved before the election, but I think the committee's report will be completed during the summer so it can be presented to the parliaments of Denmark and Greenland in the fall.

"No one has said anything about percentages at this time. We in the Siumut Party [socialist, radical home-rule party] have been saying all along that

Greenland should get 100 percent of the revenues. But we all know that co-operation is necessary in this area too and the question must be settled through negotiation.

"There are some indications that there is now majority support in the Danish Folketing for a solution of the revenue division principle that differs from the present plan. The Social Democrats have also said that they are ready to make a deal. Therefore we anticipate that a sensitive political question involving Greenland and Denmark can soon be settled," said Jonathan Motzfeldt.

6578

CSO: 3613/76

## PLANT, ANIMAL SPECIES REMAIN UNDER THREAT

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 14 Apr 87 p 20

[Article by "vs": "Extinction of Plant Species Has Not Been Halted"]

[Text] Despite all the official talk about the importance of environmental protection, year after year numerous plant and animal species continue to become totally extinct in the FRG. Following a 7-year study, the North Rhine-Westphalia Regional Institute for Ecology, Agricultural Development and Forestry Planning reached the conclusion that "no halt to the species death of the past 18 years can yet be provided." The number of endangered wild plant and animal species is said to have increased about 6 percent since 1979. Of the 3,580 fern, flowering plant, moss and fungus varieties scientifically examined, the North Rhine-Westphalian experts categorized 1,562 (43.6 percent) as having their "continued existence endangered." The proportion of endangered wild animal species is even higher, at 49.8 percent. Of the total of 5,304 plant and animal species listed by the scientists, 331 are no longer to be seen in North Rhine-Westphalia, even though two decades ago they were still native to this area.

The Regional Institute for Ecology considers one of the reasons for this inexorable species extinction to be ongoing construction activity that increasingly constricts the biosphere for plants and animals. The so-called loss of green land has reached approximately 100,000 hectares in the past decade in North Rhine-Westphalia alone. Since the beginning of the 1980s, the Land government has been attempting to provide a check on this development by means of a costly wet grasslands protection program, one which is not always viewed favorably by farmers.

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CSO: 3620/221

## DECLINE IN FOREIGN TRADE ATTRIBUTED TO SOVIET IMPORT DECLINE

## Valio Exports Drop

Helsinki HELSINGIN SANOMAT in Finnish 22 Mar 87 p 42

[Article: "Valio Exports Less than Last Year to USSR"]

[Text] Valio's export of dairy products to the USSR will decrease considerably this year. Valio and the Soviet purchase organization V/O Prodintorg undersigned the export agreements for the export of dairy products in 1987.

The amounts to be exported were agreed upon as follows: butter 6000 tons, milk powder 25,000 tons, edam cheese 1000 tons, Viola butter cheese 1,550 tons and 4,613 tons of Tutteli.

The amounts exported, except for Tutteli, have decreased from last year. Last year 8,000 tons of butter were exported, 30,000 tons of milk powder, 1000 tons of edam, 1,550 tons butter cheese and 4,200 tons of Tutteli.

In spite of the decreased amounts Valio considers that the quotas were maintained at a reasonable level.

Valio states that under today's difficult market conditions for dairy products the agreements now made with the USSR have a significant role in securing markets for milk products.

This year 30 years will have passed since the Valio's exports to the USSR began. At the beginning only milk powder was sold. Exports have diversified during the 30 years and the amounts increased manifold.

Present Soviet exports comprise about 40-50 percent of all Valio exports. The export of Tutteli, which began 4 years ago, has grown especially strongly from 400 tons to 4,600 tons.



## Large February Decline Reported

Helsinki HELSINGIN SANOMAT in Finnish 24 Mar 87 p 24

[Article by Kristiina Ritvos: "Soviet Trade Conducted at Lower Limits of Quota Range"]

[Text] The constriction of Soviet trade marked the foreign trade scene February.

Exports have been running at the lower end of the quota range although the current price of oil may make possible somewhat bigger deals.

Compared to last year export totals for February fell by 8 percent and imports by 9 percent. Exports were a scant 6.4 billion markkas and imports a little over 5.7 billion markkas.

Thus 650 million markkas worth of goods were sold in excess of purchases. The total exports for the beginning of the year surpass imports by roughly the same amount.

Export draw from the West has been considerably more modest during the first months of the year than at the end of last year. EC exports have grown by 4 percent, but EFTA exports by only 2 percent. The expenditures, however, have been pretty much what had been expected.

Instead the exports to the USSR have remained about a quarter less than they were a year ago. This is seen in the export figures of the metal, clothing and chemical industries; they have all gone downhill.

### Very Small Oil Deals

Imports from the USSR are also good quarter down from the past year. In February oil imports remained truly low, only a little over 200 million markkas.

A partial reason for this is the slow start of the commodity oil sales. In January and February no deals were made at all; the first showed up only in the customs records for March.

Oil and especially oil products have also figured largely in the steeply fallen export figures of the chemical industry. Their export did not get under way at the expected speed and has clearly diminished. This situation is expected to remedy itself already during the spring.

Otherwise February foreign trade continued in the pattern set by January according to the customs records. Volume for exports was provided primarily by the forest industry. Paper industry exports increased by 14 percent and those of lumber industry by 5 percent.

## Trade Commission Head Comments

Helsinki HELSINGIN SANOMAT in Finnish 30 Mar 87 p 23

[Article by Kustaa Hulkko: "Timo Repo Believes in Clearing Trade"]

[Text] "From Finland's point of view it is best that Soviet trade remains structurally as reciprocal clearing trade. It may be supplemented by those possibilities that the reform of Soviet foreign trade offers," the general secretary of the economic commission, Timo Repo 42 says.

During the last year the price of oil dramatically swayed the eastern trade. We got a live reminder of the fact that the Finnish-Soviet trade is not solely a matter of participant interests, but depends on the fluctuations of international markets.

In spite of this Repo believes in the viability and function of clearing trade. "During last year's negotiations we were able to achieve a significant increase in exports of 20-25 percent and the addition included much more than just energy," he reminds us.

Repo is not the only Finnish eastern trade activist who is favorable toward clearing. From the other side the USSR also wants to remain in this mode: during the previous meeting of the commission unanimity prevailed between the countries.

Soviet foreign trade is just now undergoing a great change. One central change is that a group of productive enterprises will be granted independent export and import rights. How would these organizations then "supplement" the clearing trade?

"The enterprises given direct trade rights have to earn their own currency which they would use in trading. Their exports and imports thus apparently would be independent of the arrangements between the states. If they buy from Finland they can pay in currency here also," says Repo. According to the general secretary it would be good to establish currency-based trade alongside clearing trade. The economic commission has prepared new methods, in addition to customary trade, for developing cooperation between the countries. Productive cooperation (TYT), compensation trade and joint ventures are these kinds of new methods.

According to Repo compensation trade, from among the new economic cooperative methods, could most likely aid in the restoration of balance in commodity exchange. "Their basic idea is explicitly to create new imports, which could either remain in Finland or be exported again to third world countries, he says. The development of ventures has taken years and the first ones are just coming to view now.

"Cooperative productive enterprise is beginning to be an established area. One could ask whether it any longer is a new mode of cooperation," says Repo. TYT has already significantly influenced the structure of machinebuilding trade and added to the Soviet imports share in the eastern export of metals. "Joint

ventures are apparently outside the clearing trade. At least they are of no help with the balance of trade problems", says Repo.

#### Significance of Commission Increased

In Finland it was still suspected last fall that the role of the commission relative to the economic relations between the countries had weakened. The suppositions were based on the fact that no major mutual meetings had been held since the summer of 1985. Repo rejects these suspicions. He points out briefly that if the USSR had wanted to downplay the prestige of the commission it would not have named as its chairman, Vladimir Kamentsev, who is a vice prime minister and the chairman of the state committee for foreign trade relations. The committee had recently been founded as the organ directing all Soviet foreign trade. The real reason for the temporary change in the meeting schedules was that the previous chairman of the Soviet counterpart, Ivan Arhipov, greatly disliked large noisy meetings. He would rather hold meetings between chairmmen.

Repo characterizes the commission as a central forum for discussions between the USSR and Finland, as an organ which can accomplish more than just meetings and ceremonies. In recent days the task groups have concentrated on the development of imports. Concrete examples are provided by the Kola project and the diversification of petrochemical imports. According to Repo we have made progress, but even more new exports should be created.

In addition the commission offers an arena for internal planning and generation of general ideas by the Finns. Participating in the discussions by the Finnish counterpart are politicians, officials, representatives of enterprises and industrial associations; in other words all important parties.

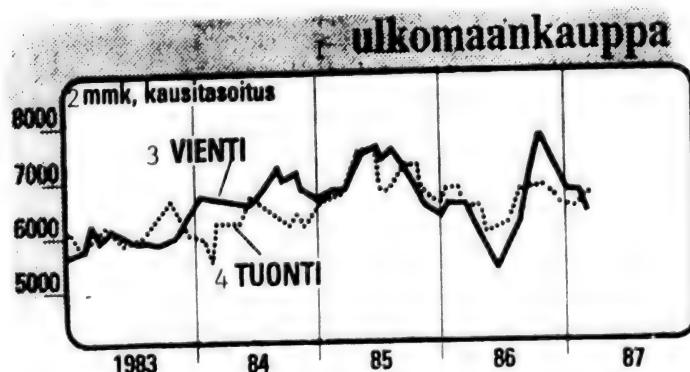
In the metal industry the total exports of different products and machines decreased. Automobile export continued its growth, but ship exports fell. The export of basic metals remained at the previous level.

#### Clothing Imports Voluminous

In the clothing and textile trade volume is observed only on the import side. Their export decreased apparently precisely because of the eastern trade. Imports on the other hand flowed copiously and foreign attire is truly conquering our markets.

The import of investment goods also grew 5 percent. In other words more machines, devices and vehicles than before were brought into the country, which tells at least of this kind of investment.

Later in the spring stimulation is expected in the foreign trade figures if only for statistical reasons. Last year the foreign trade figures reflected the strike which decreased especially the eastern trade figures. Industry also has expected its exports to perk up later in the spring, since many western client nations have considerable import readiness.



#### KEY

1. Foreign Trade
2. million markkas, seasonal adjustment
3. Exports
4. Imports

Of the prime minister's work only half could be counted as long range planning. The other half is spent on daily matters: the prime minister for example participates in the annual commodity exchange negotiations. "It can not be that the commission leads its own life and the trade negotiators their own." Repo pictures the mutual dependency of the commission secretariat and the Foreign Ministry's Soviet Trade office with the buzz words "joint proprietorship."

#### Bulgarian Accent

Repo became involved with the eastern trade tasks when he began working for the foreign ministry in 1973.

In between he worked at the Bulgarian embassy. This has had influence on his Russian intonation. The Soviets have even asked him whether he comes from Bulgaria.

In 1979 Repo transferred to the Soviet trade office, later as a trade advisor to the embassy in Moscow. The prime ministerial phase, begun in August 1986, was preceded by a scant year's side trip to the central association of the metal industry.

By education Repo is a Candidate of Philosophy. At the University Repo studied Humanities, eg. History, just as many other officials responsible for the eastern trade have done.

For Timo Repo the history of Finland's relations with the East have a special personal interest. Repo's forefathers had already actively pursued eastern contacts, albeit the methods differed from those of today.

It is not like Repo to emphasize himself or his roots. Sources however reveal that he is, through his father's mother, a descendant of the Krankka clerical family. Forefather Eerik Krankkka from Liminka functioned as an overseer in northern Pohjanmaa in the 1570's. The Russians were at that time conducting military raids from Viena all the way to the shores of Pohjanlahti and the Finns in turn replied with their own retaliatory raids. In 1577 Krankka made a border peace treaty with the Russians but Juhana III did not approve the agreement. The skirmishes began anew and Krankka fell in battle with the Russians. His son Hannu was also famous for his raids beyond the eastern border. Hannu Krankka was one of the leaders in the Club War, whom duke Kaarle named a salmon overseer of Pohjanmaa.

12989

CSO: 3617/77



## INCREASED INFLATIONARY PRESSURES, FOREIGN DEBT

## Lower Industry Investment

Oslo AFTENPOSTEN in Norwegian 30 Apr 87 p 3

[Article by Morten Malmo: "Wild Prices, Growing Debt"]

[Text] The need for a new government and a new policy is documented scintillatingly clear in the economic survey that is a part of the basic material in the governmental discussions between the Conservative, Christian People's, and Center parties. This was stated by policy-leading nonsocialist politicians to AFTENPOSTEN.

There is no doubt that the economic development is giving the government trouble. Price increases are steadily going at a more rapid pace, the net foreign debt is growing, while the disposable real income is sinking and public consumption is on the way up again. The growth in industrial investments and production is sinking, on the other hand.

Figures from the Finance Department and the Central Statistical Office show that Norway had in 1985 a surplus in the operational balance abroad of 25.6 billion kroner. In 1986 the surplus became a deficit of 33 billion kroner. The Norwegian Bank Union thinks that the deficit this year will be 30 billion kroner.

## More Debt

In 1970 Norway had a debt of 9.1 billion kroner abroad, in 1980 the debt was 93 billion kroner, while the net debt abroad in 1985 had decreased to 40.3 billion kroner. The Central Statistical Office thinks the debt for 1986 will be 75 billion kroner, and it is expected that Norway's net debt abroad this year will come to 105 billion kroner. Then the debt will make up as much as 20 percent of the gross national product.

## Price Problems

Ever since 1981 price increases in Norway have been higher than among our trading partners, both inside and out of OECD. In 1981 it was at a record

height of 13.6 percent. Under the Willoch government the growth in prices was greatly reduced, and in 1985 it was down to 5.8 percent.

Finance Minister Gunnar Berge can now confirm that the price increase for 1986 rose again to 7.2 percent, and that the estimate for the present year lies between eight and nine percent. In comparison it can be mentioned that the expected price increase among Norway's trading partners this year is estimated at 2.5 percent.

#### Industry

Developments in industry also give reason for concern. The growth in investments was 22.8 percent in 1985 and 30.8 percent last year. The Finance Department and the Central Statistical Office predict that the growth in investments next year will be five percent. If the Mongstad construction is excluded, investments in the economy will scarcely increase from 1986 to 1987, the prognosticators say.

Growth in industrial production is also on the way down. In 1984 the growth was 2.5 percent, last year 2 percent, and for this year the estimates are for a growth of 1.75 percent.

#### Belt-Tightening

Key economic figures now also show that the policy of belt-tightening is beginning to take effect. In 1985 growth in disposable real income for Kari and Ola Norwegian was 3.4 percent, last year 2.1 percent, and for this year the Finance Department and the Central Statistical Office do not predict a growth in real income.

Growth in private consumption increased sharply from 1984 to 1985, from 2.7 percent all the way to 10.4 percent. In 1986 growth in private consumption was 5.5 percent. The Bank Union calculates that private consumption will be reduced by 1.5 percent in 1987.

Growth in public consumption is now lower than it was in the beginning of the 1980's. In 1981 the growth here was 6.1 percent, in 1984 it was two percent, and the Bank Union also predicts a growth of about two percent in public consumption this year.

#### Construction Prices

Construction costs for houses have shot high in the air this past year. The cost of building a single-family wood house increased from January 1985 to January 1986 by 5.4 percent. From January of last year to January of this year costs rose by as much as 12.4 percent, and the February figures of this year even showed a further hop to 12.8 percent. The March figures of this year show a small decline to a 12.7 increase in construction costs for single-family houses.

## Finance Minister Defends Policies

Oslo AFTENPOSTEN in Norwegian 4 May 87 p 2

[Op Ed Article by Finance Minister Gunnar Berge: "What is the Alternative?"

[Text] Conservative Party Chairman Rolf Presthus claims in AFTENPOSTEN 29 April that the government is not taking the country's economic situation seriously. He also claims that I am primarily concerned with smoothing over the problems. Presthus must know that time after time I have stressed that the country is in great economic difficulties.

From the first day this government has stressed carrying out an economic policy that can lead us out of the bad weather we find ourselves in after the departure of the Willoch government. In the year that has passed since the change of governments we have come a long way toward recovery. But it is still a long way off. I have never concealed this, either. Therefore the government will continue to conduct a tight policy to get the economy on its feet again. Presthus will see this confirmed when we present the revised national budget in the middle of May.

### Price Increases Will Ease

In his article the Conservative Party chairman points to several key problems in the Norwegian economy that I want to discuss more thoroughly. I share Presthus' concern about price increases. The growth of prices and costs in Norway is too great. But there is every reason to predict that inflation will ease in the second six months, so that the rate of increase at the end of 1987 will be lower than today. Part of the price increase up to now this year comes from the aftereffects of the completely necessary devaluation of the krone that the Labor Party government carried out just after it entered power. Another important reason for the price increase is last year's costly wage agreement. The framework for this agreement was built by the previous government, when Rolf Presthus was finance minister. At the time of the change of government in May, many parts of the agreement were already concluded. This year the central negotiations up to now have been carried out without an increase. In the future we must also succeed in slowing the local wage increases.

### Smaller Deficit

Presthus writes further that the trade balance shows a much larger deficit than was predicted earlier. It is true that the March figures isolated show an increase in imports.

But this is due to the shift in the arrival of Easter. Last year Easter was in March, this year in April. The result has to be wrong when one compares a month of full activity with a month in which the country stands still for a week.

If we look at the year's first three months as a unit, the traditional export of goods has increased by 13.5 percent, while imports have only risen by six percent, compared to the corresponding period last year. In the first quarter of this year, the value of imports was two-three percent lower than in the last quarter of last year.

The figures point in the direction of a lower deficit in foreign trade than the government predicted in the balancing proposal in December. This does not mean that the problems are solved, but we are on the right path.

In the meantime it is still necessary to follow a tight line in economic policy, and this will be the basis for the revised national budget.

#### What Does the Conservative Party Want?

Presthus makes strong attacks on the government's economic policy but says little about what the Conservative Party will do to solve the problems. What kind of economic policy does a possible new nonsocialist government intend to carry out? In what areas will such a government initiate cutbacks and belt-tightening? These are questions the Conservative Party chairman does not touch in his article.

#### At the Boiling Point

Let me also call to mind what happened the last time the Conservative Party had the responsibility for the Finance Department. Private consumption exploded, imports increased, and people saved less than any time since the war. When the Willoch government left office, the Norwegian economy was at the boiling point. I therefore assume that the medicine must now be different.

9124

CSO: 3639/54

## GOVERNMENT EXPECTED TO EXTEND COOPERATION WITH OPEC

Oslo AFTENPOSTEN in Norwegian 14 May 87 p 44

[Article by Morten Woldsdal: "OPEC Cooperation Being Extended"]

[Text] Judging from appearances, the government wants to extend cooperation with the OPEC countries. The reduction in production which was adopted in January will come to an end in June. But AFTENPOSTEN has learned that the government will continue with the same measures in the second half of the year--unless the oil price situation should once again suddenly change dramatically.

Since the Labor government decided to start cooperating with the 13 OPEC countries, oil prices have climbed and stabilized between \$18-\$19 per barrel.

The Norwegian measure to decrease production by 7.5 percent has had nothing but a psychological effect on this price trend, most experts believe. But they nevertheless see the measure as symbolically very important. So do the OPEC oil ministers.

## Hard To Oppose

Even if there could be discussions in Norway about how big an influence the measure has had, there is still no one who can say that the reduction was a mistake--given the fact that oil prices have risen so much. It is therefore expected to be very hard for the nonsocialist opposition to argue against an extension of the cooperation with OPEC.

AFTENPOSTEN has reason to believe that the government will merely continue its 7.5 percent reduction after the end of June, unless something dramatic should occur in the meantime on the oil market. No formal measure has been decided upon, but that is now clearly the most probable course, it is said in the government.

## Oil Price Of \$19

Oil prices now stand at about \$19 per barrel. Yesterday North Sea oil was priced at \$18.80 for delivery next month. And there are no signs from the market to cause anyone to fear a new price drop in the foreseeable future.

Quite the contrary, say most observers: For a long time OPEC has held its head above water. They expect oil prices to hold between \$18 and \$20 per barrel through this year, even though at present the OPEC countries produce more oil than the self-imposed production ceiling.

Last December the OPEC ministers approved a production ceiling of 15.8 million barrels of oil per day during the first half of 1987. Nevertheless April production stood at between 16.6 and 16.9 million barrels, according to the journal MIDDLE EAST ECONOMIC SURVEY.

"But the demand for oil is very great, and OPEC can let itself produce even more than that," Philip Morgan, an oil analyst at Warburg Securities told REUTERS. He thinks the demand for OPEC oil will stay at about 17 million barrels a day for the April-June period and 18 million barrels the three following months.

#### OPEC Meeting In June

The OPEC minister will meet again in Vienna on 25 June. Many believe that at that time they will approve increasing production somewhat in relation to the ceiling of 15.8 million barrels. Previously the oil ministers agreed to a ceiling of 16.6 million barrels for the third quarter of 1987 and 18.5 million in the fourth quarter.

According to several observers, it is more likely the OPEC countries will increase production somewhat as soon as demand rises than establishing set prices of an average of \$18 per barrel for different quality oil.

If the ceiling is raised, the oil ministers in the meantime may have new problems establishing the quotas for the different member countries' production. Several countries have already warned that they will demand higher quotas at the coming meeting. Nevertheless there are few experts who think the difficulties will get so big that prices will fall.

12789

CSO: 3639/61



## ENERGY MINISTER OIEN: POLICY SHIFT FROM HYDRO TO GAS POWER

## Change From Previous Government

Oslo AFTENPOSTEN in Norwegian 28 Apr 87 p 2

[Op Ed Article by Oil and Energy Minister Arne Oien: "Energy Policy Pause"]

[Text] The previous government presented an energy report when Norway's future supply of electricity was based on water power. Since then a new situation has arisen. Electric power based on gas is now a present alternative to the expansion of water power.

This has been made concrete by plans for a gas power plant at Karsto. This plant will be able to produce as much as five TWh a year as early as 1992. The capacity can then be expanded to 7.5 TWh a year in 1995. In addition, it is most probable that an expansion at Haltenbanken will make it possible to produce significant amounts of gas power in the middle of the 1990's.

In the new energy report these perspectives are presented. While up to now we have generally been occupied with how extensive the water power coverage will be, it looks as if in the future we can choose between various sources of energy

## Clearly More Logical

According to the evaluations that have now been made, based on the cost data from Statoil, the Oil Directorate, NVE, and Statkraft, there is every reason to assume that gas power will be clearly more logical than power from the most expensive water power projects that are planned. This makes the government for the present delay the decision on individual, expensive water power projects. Until the expansion of Haltenbanken has been more thoroughly clarified, it would not be wise to begin large and costly water power investments. The postponement applies to Stryn, Melfjord, and Jorpeland, with a total production capacity of 1.6 TWh a year

## Not One-sidedly

It is not the time to go one-sidedly to gas power for the future. When AFTENPOSTEN in a lead article recently expressed scepticism about the one-sided gamble on gas power that the government is about to make, this is to stretch

the energy report's recommendation too far. First there now exists a water power system that in all foreseeable future will make up the basis of Norwegian power. Second new water power projects will be planned and carried out as long as the cost for society is not clearly more expensive for water power than for gas.

The savings society can achieve by selecting a gas power strategy instead of continuing to count on water power can be significant. If society's cost for gas power shows itself for example to be five ore per KWh lower than the alternative water power, the production of 15 TWh a year based on gas will make possible a yearly savings of 750 million kroner over the water power plant's lifetime. This corresponds to a cash amount (present value) of about nine billion kroner.

An amount of such size will have significance for the whole country's economy. We can invest more in the areas of highest priority, and we will get a better and more effective use of the country's resources. In a somewhat longer run the economy and the consumers will be able to get clearly lower electricity prices than with a continued one-sided water power expansion.

Some have expressed concern that our gas reserves will now be emptied too quickly. It is said that gas prices in the future can rise so much that it may be wise to postpone gas extraction until later.

#### Export for 100 Years

As the situation looks today, I think that this argument has little in its favor. First we have already shown very large gas reserves in the Norwegian continental shelf. The oil directorate has estimated the recoverable reserves at about 2,800 billion  $\text{Sm}^3$ . This makes up almost half of the present gas resources in Western Europe. This would be enough for a Norwegian gas export at today's level for more than 100 years. Export at the turn of the century will only in the most favorable case be a little more than today, and the domestic gas use will in any case be small in this connection. Second there are still large areas in the Norwegian continental shelf that are interesting from a geological point of view and where test boring has not yet been undertaken.

There is therefore reason to believe that future search will also be able to yield significantly more amounts of gas. The great challenge is therefore how we can in a profitable way export more gas or use more gas domestically.

#### Not Become Dependent

Some use as an argument against gas power that we will be using a nonrenewable resource. The goal must be to use all our resources in such a way that they contribute to a steady development of the welfare state. We neither can nor shall make ourselves dependent upon gas forever. Nevertheless it offers great economic advantages if we can postpone costly water power expansion for two or three generations.

Up to now there has been broad political unity that the price for power to consumers must on the average correspond to the cost for new power (long time marginal costs). A problem with gas power is that it will often be difficult to calculate the economic costs to society.

#### Price Clarification

There is no clear international market price for gas. Therefore one can imagine, for example, that a low gas price at delivery to a Norwegian gas power plant will have an unfortunate effect on negotiations on the price of gas delivered for export. Among other things for this reason the government has agreed that the problem of the price for gas will become the subject for our own clarification.

Even if in the course of the next year or two it should turn out that Haltenbanken will not be completely expanded by the middle of the 1990's, it will still be possible to cover the demand for power up to the turn of the century. In the first years circumstances may easily arise that would make significant power imports necessary. This is the fault of weak water power expansion in years past.

The main message in the new energy report is that we now must take time out to think before we begin the expansion of new, expensive water power resources. Much speaks in favor of our choosing to gamble relatively strongly on gas power when all the circumstances and terms are on the table. This will probably be cleared up better in the course of one or two years.

#### Environment Minister Backs Policy

Oslo ARBEIDERBLADET in Norwegian 30 Apr 87 p 8

[Article by Lars Henrik Bjorgum: "Total Plan for Less Water Power"]

[Text] "If we get as much gas power from Haltenbanken and the North Sea as expected, there is no need to carry out all the water power projects as concessions have been sought for," Environmental Protection Minister Sissel Ronbeck said. In the Storting report on the total plan for watercourses that is being presented today, the government has only evaluated the least defensible projects.

In the report the government only considers the projects that can be treated as concessions, the so-called Category I, and it moves three projects over into it. The government does not take a position on projects in Categories II and III in anticipation of what the expansion of Haltenbanken can yield in gas power, and it will return to the expert evaluation of them when Haltenbanken is clarified.

## Magazine

"Nevertheless we have chosen to present the report now so that the Storting can deal with the plans together with the energy report. And we consider it an advantage that the Storting can handle the projects in Category I," Ronbeck said.

The introduction of large amounts of gas power can in the meantime create the need for increased magazine capacity. If this need must be covered with expanded water power, possible transfer of projects to category I will be considered up to Protection Plan IV for watercourses.

If Haltenbanken is not completed by the middle of the 1990's, the government is in favor of covering the need for further power from postponed watercourse projects and projects from Category I in connection with the next updating of the plan. And until Haltenbanken has been more definitely clarified, the government regards a ceiling of 125 billion kilowatt hours interim yearly production as an illustration of too little water power expansion.

## Moved

Altogether the projects in Category I amount to 12.5 billion kilowatt hours in the Storting report, compared with an earlier 11.3. In the report, the Lomdal watercourse in Nordland is moved from Category II to I. The alternatives Austrumdal-Orsdal-Nord-Malmei, Espeland, and Maudal in the Bjerkreims watercourse are placed in Category I. From the Osterbo-Ortnevik watercourse in Sogn and Fjordane two alternatives are placed in Category I. While the largest alternative is provisionally placed in Category III. Several projects where the municipality was against placement in Category I are now placed in II or III. This applies among others to the Nordal and Geiranger watercourses.

9124

CSO: 3639/52

## OVERVIEW OF NEED FOR AGRICULTURAL REFORM

Istanbul MILLIYET in Turkish 12 Mar 87 pp 1, 7

[Text] There is a reform package which the government is keeping 'top secret'. What is in that package which Ozal is expected to present to the farmer as a gift? Conflicting stories have been told in the press about this. But according to Adnan Kahveci, Ozal's chief adviser, none of the stories are true. Indeed, some of them are 'pure fiction'. And according to H.C. Guzel, minister of state and government spokesman, there is no such thing as keeping it secret until Ozal's return. The package is not being announced because it simply hasn't taken its final form.

Whatever the case, it is apparent that the government is preparing to introduce some major changes in agriculture, though nothing so radical. Here we won't attempt to discuss what the new changes might entail. Instead, we will try to investigate what kind of factors may have forced Ozal's hand into making these changes.

#### Rise in Production

During the period from 79 to the end of 86 production has risen in almost all crops. Without considering the population increase the rise in agricultural production has been around 18 percent. If we subtract population increase from that figure we are still left with a 5 percent rise.

The increased production is attributed to 3 factors: Fallow lands have been reduced from 8.5 million to 6 million hectares. Thus the area under cultivation has increased by 1 million to an annual 17.7 hectares. The area under irrigation has increased by an average 150,000 hectares each year (during 79-86) to reach 3.3 million. As in tomato and corn, quality seeds are becoming widespread. In vegetables the growth of greenhouse production has stimulated exports.

- Fertilizer production remained stagnant at 8.5 million tons during the 7-year period. In the same period the rate of

increase in the usage of agricultural machinery, primarily in tractors, has slowed down. 600,000 tractors are in current use.

#### Farmers in Debt

- Today the amount of unrecovered credits in the banking sector is estimated to be around TL 3.5 trillion. According to officials from the Chambers of Agriculture TL 1 trillion of that amount is agricultural debt. According to official SIS figures, the status of agricultural credits as of the end of 86 is as follows: Credits unpaid (past due date) TL 110 billion; receivables under litigation TL 30 billion. Considering that the total credit in agriculture is TL 692 billion it looks as if TL 20 out of every TL 100 is to be written off. Such figures continued during 86 and 87.

- State subsidies in agriculture increased by 7 percent during the last 7 years. The prices of agricultural inputs have increased at least 20 percent.

- Agriculture's share in the GNP continuously declined. Its share which was 23.5 percent in 79 went down to 18 percent by the end of 86.

Experts say it is this overall picture that is forcing Ozal towards undertaking reform. But the government, rather than initiating structural change, will aim at lowering input prices, keeping subsidies high, and raising the farmer's share in the GNP.

12466  
CSO: 3554/225



## THY NEW DELHI LINE INAUGURATED

Istanbul DUNYA in Turkish 11 Mar 87 pp 1,7

[Yavuz Semerci report]

[Text] The first positive result of Prime Minister Turgut Ozal's visit to India last year came with the opening of New Delhi airport to Turkish passenger planes. Minister of Transportation Veysel Atasoy said that THY's [Turkish Airlines] New Delhi line is an important springboard for Turkey's Far Eastern markets.

Until now India's Indira Gandhi International Airport has been open to the airlines of only five countries, namely Italy, Britain, United Arab Emirates, Kuwait and Japan. Now Turkey has joined these countries.

The promotional excursion organized by THY on the occasion of the inauguration of the Istanbul-New Delhi line ended yesterday. The 3-day excursion was attended by nearly 200 invited guests including Minister of Transportation Atasoy—who wanted to visit India for various contacts—and his spouse.

Atasoy is currently continuing his contacts in Bombay. He is expected to return to Turkey on Friday.

The participants in the promotional excursion to New Delhi—which is one of India's major industrial and commercial centers with a population of 7 million, numerous large buildings and people sleeping in the streets—also included several parliamentary deputies and their spouses.

The 3-day tour was attended by 27 parliamentary deputies—including TGNA Deputy President Halim Araz, and the deputy leader of Motherland Party's Assembly group, Pertev Ascioglu—their spouses, businessmen, senior officials of THY and the Ministry of Transportation, members of the press corps, mayors and a folklore group. During that time various gatherings were organized and positive steps were taken to enhance friendship and economic and trade relations between Turkey and India.

The guests, who stayed at New Delhi's renowned Ashok and Maurya Sheraton hotels at THY's expense, included well-known figures such as businessman Uzeir Garib, Jefe Kamhi, Halit Narin, shipowner Hilmi Sonmez, Esref Gerrahoglu, Ziya Kalkavan, Ram Foreign Trade Corporation Director General

Ibrahim Yazici, UND President Saffet Ulusoy, Yildirim Akturk, SABAH columnist Guneri Civaoglu, Sadettin Tantan and MP's Mus Deputy Atilla Sin, who gained public attention when he rounded up some punk youths and had their hair cut.

It was disclosed that the parliamentary deputy guests were selected by lottery in proportion to their parties' representation in the TGNA.

"Turkish days" were held in New Delhi for 3 days in conjunction with the promotional tour organized to inaugurate the Istanbul-New Delhi line which will be THY's 40th foreign route.

Beside the shopping areas, the guests appeared to be particularly fascinated by the people lying in the streets. It was learned that nearly 2 million people sleep in the streets of New Delhi.

After visiting the city of Agra which is home to the historic Taj Mahal, the guests spent their last day in New Delhi shopping. India earned significant amounts of foreign currency during this shopping spree, which focused primarily on silk fabrics. During the shopping tour, some guests joked that the deputies were competing with the businessmen.

The Turkish parliamentarians also visited the Indian parliament at the invitation of India's House Speaker Dr Jardah. Dr Jardah said that a Turkish delegation headed by Ferruh Bozbeyli visited India in 1953 and that a similar visit has not taken place until now. He said: "If you invite me to your country I would accept it happily. Turkish-Indian friendship must be strengthened and we must contribute to that." Later, Dr Jardah accepted TGNA Deputy President Halim Aras' invitation to visit Turkey. The date of the visit will be announced later.

In a press conference after the cocktail party organized by THY on the last day of the tour in New Delhi, Minister of Transportation Atasoy said that THY has joined a select group of international airlines in the last few years.

Atasoy added that during his stay in India he had useful talks with the Indian Railways Minister.

Atasoy, who is still in India, will also visit Bombay for additional talks.

9588

CSO: 3554/227

## CONTRACTOR PROBLEMS WITH LIBYA REVIEWED

Istanbul DUNYA in Turkish 11 Mar 87 pp 1,7

[Text] Mustafa Ozcan, the president of the Association of Contractors Operating in Libya, said that the most important factors affecting members of his association are the decline of oil prices to as low as \$8 a barrel and the economic embargoes imposed against Libya following the U.S. intervention in that country.

The annual general assembly of the Association of Contractors Operating in Libya was held in Istanbul yesterday. In a speech at the opening of the meeting, Association President Ozcan said that he conveyed the association's requests from banks to Minister of Industry and Trade Cahit Aral and that, however, the Association of Banks did not take a favorable decision with respect to their requests. He added that the 2-percent commission charged by banks on letters of credit is excessively high.

Stating that 1986 was a fairly active year for the Association, Ozcan said that the embargoes imposed by European countries against Libya following the U.S. air raid against that country in April were developments beyond their control. Ozcan outlined the problems encountered by his organization as follows:

"As is known, the petroleum agreement signed with Libya in 1985 envisaged the purchase of 3 million metric tons of crude oil from that country each year. However, oil prices dropped from \$31 to \$8 per barrel in what has become known as the '3d oil shock.' This development resulted in a substantial decline in the common account fund from which our fees and claims are paid. The fact that our contractors alone brought \$237 million from Libya in 1986 despite this and other handicaps constitutes a significant success."

Stating that their books indicate that they are constantly operating with a total accounts receivable of \$400 million--of which \$250 million is owed by local governments and \$150 million is owed by the central government--Ozcan said: "Transfer instructions are stalled and delayed even though there is often \$40 million to \$50 million in the petroleum account."

"The Libyan Central Bank has never used its credit authorization of \$75 million as stipulated by the [Turkish-Libyan] banking agreement. Consequently, a provision of automatic invocation and negotiations must be added to this agreement."

## BRIEFS

BOSPORUS BRIDGE RAMP CONTRACT--The British firm, Balfour Beatty, won the contract for building the 37.5-kilometer road which will be linked to the 2d Bosporus Bridge. According to a report filed by our London correspondent, Edip Emil Oymen, the \$70-million project encompasses the construction of a two-lane road between Kazanci and Gumusova. The road will be linked to the E-5 highway by a 4-kilometer connecting road. In building the road, the British firm will collaborate with the Turkish firm Entes. [Text] [Istanbul MILLIYET in Turkish 10 Mar 87 p 4] 9588

EUPHRATES DAM TRIAL RUN--The first power generation unit of the hydroelectric power plant of the Karakaya Dam built on the Euphrates River near the Cungus district of Diyarbakir has begun trial production runs. This unit will generate 1.25 billion kilowatt-hours of electricity a year. The hydroelectric power plant which will consist of six 300-megawatt units and which will cost 500 billion Turkish lira is planned to be completed by the end of 1988. [Text] [Istanbul HURRIYET in Turkish 10 Mar 87 p 4] 9588

CSO: 3554/227

## STUDY FINDS SOCIAL SECURITY PROGRAMS INADEQUATE

Duesseldorf HANDELSBLATT in German 30 Apr 87 p 6

[Article by pt: "Longtime Unemployed and Low Wage Earners are Stepchildren of the Social State;" "New Poverty"; DGB Institute Stands up for Tax-financed Basic Guarantee]

[Text] The "rich" FRG in the opinion of the WSI (Economic and Social Science Institute) of the DGB is confronted with the phenomenon of a growing "new poverty," which is caused by the exclusion of longtime unemployed and discontinuous and low-paid wage earners from adequate social security. A tax-financed basic guarantee must safeguard the protection of those affected under the social insurance.

WSI does not fail to recognize, Gerhard Baecker explained at a WSI working conference in Duesseldorf, that the federal government has taken the correct path by extending the benefit period in the unemployment insurance and by raising the income-tax-exempt amounts in the case of unemployment relief. But thus far these improvements have not been able to reverse the trend for the exclusion of the longtime unemployed.

The share of the benefit recipients in all unemployed meanwhile has declined to 62.9 percent. Over one-third thus receive neither unemployment relief nor unemployment pay. They have to depend on charity from the family or on welfare aid. In 1985 the number of recipients of subsistence aid reached 2,058,000. In 1986 a further increase of 10 percent is expected. Here the federal government and the social insurance are relieved at the expense of the carriers of social welfare, cities, and municipalities. If in addition the hidden unemployment of about 1.2 million unemployed--unemployed who are not registered--is taken into consideration, then, according to WSI findings, about 2 million unemployed will not receive any benefits from the unemployment insurance.

At the same time the financial situation of the benefit recipients is worsened because increasingly unemployment relief is paid in place of unemployment pay. The percentage of recipients of unemployment pay declined from 51.1 percent in 1980 to 35.9 percent in 1986, that of those



receiving unemployment relief has increased during the same period from 13.7 percent to 27 percent.

#### Unemployment Pay is Inadequate

The amount of the unemployment pay leaves a great deal to be desired. With DM 980 per month in 1986 on the average, it was barely above the 1980 level. Baecker: "An analysis of the payment level indicates that by the end of 1987 about 46 percent of all male recipients of unemployment pay (not including child) and 84.6 percent of all female ones (not including child) receive less than DM 1,000."

As an "immediate measure" Baecker suggests a further increase of the period of entitlement and the increase of the amount of unemployment pay and of unemployment relief. As a second step it is necessary to grant the unemployed a tax-financed, job-related basic guarantee. Thus the burden could be removed from welfare.

"New poverty" is also the result of the changed employment situation: Persons employed slightly or discontinuously had too small an income in the employment phase and, as far as their old-age financial insurance is concerned they slip through the social net. Rudolf Welzmueller mentioned the figure of 1-2 million for those slightly employed. Of course only 300,000 are officially recorded. Even now a large part of the women cannot prove 25 compulsory insurance years that must be fulfilled according to present pension regulations for minimum income. In the case of white collar women employees this holds true for roughly half, and for women workers for as much as two-thirds.

Even for those gainfully employed, who are engaged in activity subject to social insurance and can meet the time requirements, according to Welzmueller the old-age insurance is inadequate. Thus in 1985 roughly 25 percent of women who drew pensions received such a small amount despite the minimum 25 years of compulsory insurance that it had to be increased in accordance with the regulations concerning minimum pension income. According to WSI estimates, 1.8 to 2.1 million persons full-time gainfully employed, especially women, achieve a job income that is below the threshold of 75 percent of the average income of a person under compulsory pension insurance, which is relevant for a pension claim according to minimum income.

Welzmueller regards the introduction of a tax-financed basic guarantee as indispensable for this group of persons, too. Of course measures in the field of wage policy and legislation are also required to achieve women's pay in line with qualifications and to counteract very small wages.

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